MONTANA LEGISLATIVE HISTORY

Chapter 633 1993

Bill H 667 S _____ Original bill & history ✓ C

H. Committee on School Funding Select

Hearing Date(s) 3-9 ___C

3-11 ___C

3-12 ___C

H. Education & Cultural Resources

3-12 ___C

3-15

Date Out 3-17 ___C

S. Committee on School Finance Select

Hearing Date(s) 3-22 ___C

3-31 ___C

Subcommittee Select School Finance

4-2 ___C

4-5 7 am C

4-5 3 pm

4-6 7 am

4-6 3 pm

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

Senate Select Comm. School Finance

4-7

4-12

Free Conference Committee:

4-20

4-21 11 am

4-21 6 pm

4-22 10 am

4-22 5 pm

4-23 7 [redacted] am

4-23 1 pm

DATE OUT: 4-23 7 pm

3/11	HEARING		
3/13	COMMITTEE REPORT—BILL PASSED AS AMENDED AND REREFERRED TO EDUCATION & CULTURAL RESOURCES		
3/15	FISCAL NOTE RECEIVED		
3/15	FISCAL NOTE PRINTED		
3/24	HEARING		
3/24	TABLED IN COMMITTEE		

HB 666 INTRODUCED BY WANZENRIED

REVISE STATUTORY APPROPRIATION FOR PETROLEUM TANK RELEASE CLEANUP FUND

BY REQUEST OF JOINT SUBCOMMITTEE ON HUMAN SERVICES AND AGING

3/09	INTRODUCED		
3/09	REFERRED TO APPROPRIATIONS		
3/09	FIRST READING		
3/09	FISCAL NOTE REQUESTED		
3/10	FISCAL NOTE RECEIVED		
3/10	FISCAL NOTE PRINTED		
3/12	HEARING		
3/16	COMMITTEE REPORT—BILL PASSED AS AMENDED		
3/30	2ND READING PASSED AS AMENDED	84	16
4/01	3RD READING PASSED	83	15
	TRANSMITTED TO SENATE		
4/02	FIRST READING		
4/02	REFERRED TO FINANCE & CLAIMS		
4/13	HEARING		
4/14	COMMITTEE REPORT—BILL CONCURRED		
4/15	2ND READING CONCURRED	49	0
4/15	3RD READING CONCURRED	48	1
	RETURNED TO HOUSE		
4/21	SIGNED BY SPEAKER		
4/21	SIGNED BY PRESIDENT		
4/22	TRANSMITTED TO GOVERNOR		
4/24	SIGNED BY GOVERNOR CHAPTER NUMBER 543 EFFECTIVE DATE: 07/01/93		

HB 667 INTRODUCED BY FAGG, ET AL.

IMPROVE EQUITY BY RESTRUCTURING FUNDING AND BUDGETING FOR SCHOOLS

BY REQUEST OF HOUSE SELECT COMMITTEE ON EDUCATION

3/09	INTRODUCED		
3/09	REFERRED TO SCHOOL FUNDING SELECT COMMITTEE		
3/09	FIRST READING		
3/09	FISCAL NOTE REQUESTED		
3/11	HEARING		
3/13	COMMITTEE REPORT—BILL PASSED AS AMENDED AND REREFERRED TO EDUCATION & CULTURAL RESOURCES		
3/15	HEARING		
3/17	FISCAL NOTE RECEIVED		
3/18	COMMITTEE REPORT—BILL PASSED AS AMENDED		
3/19	REVISED FISCAL NOTE REQUESTED		
3/19	REVISED FISCAL NOTE RECEIVED		
3/22	REVISED FISCAL NOTE PRINTED		
3/25	2ND READING PASSED AS AMENDED	56	43
3/25	3RD READING PASSED	55	44
	TRANSMITTED TO SENATE		
3/26	FIRST READING		

3/26	REFERRED TO SCHOOL FINANCE SELECT COMMITTEE		
3/30	REVISED FISCAL NOTE REQUESTED ON 3RD READING COPY OF BILL		
3/31	HEARING		
3/31	REVISED FISCAL NOTE RECEIVED		
3/31	REVISED FISCAL NOTE PRINTED		
4/02	HEARING		
4/05	HEARING		
4/06	HEARING		
4/13	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/15	2ND READING CONCURRED AS AMENDED	36	13
4/15	3RD READING CONCURRED	37	12
	RETURNED TO HOUSE WITH AMENDMENTS		
4/17	2ND READING AMENDMENTS NOT CONCURRED	61	33
4/17	FREE CONFERENCE COMMITTEE APPOINTED		
4/20	REVISED FISCAL NOTE REQUESTED ON REFERENCE COPY OF BILL		
4/20	REVISED FISCAL NOTE RECEIVED		
4/20	REVISED FISCAL NOTE PRINTED		
4/24	FREE CONFERENCE COMMITTEE REPORT NO. 1		
4/24	MOTION TO ADOPT FREE CONFERENCE COMMITTEE REPORT NO. 1 ON 2ND READING FAILED	49	50
4/24	RECONSIDERED PREVIOUS ACTION	65	30
4/24	2ND READING FREE CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	59	41
4/24	3RD READING FREE CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	55	45
	SENATE		
4/20	FREE CONFERENCE COMMITTEE APPOINTED		
4/24	FREE CONFERENCE COMMITTEE REPORT NO. 1		
4/24	2ND READING FREE CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	45	4
4/24	3RD READING FREE CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	41	8
4/24	3RD READING FREE CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	37	12
4/28	SIGNED BY SPEAKER		
4/28	SIGNED BY PRESIDENT		
4/30	TRANSMITTED TO GOVERNOR		
5/12	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 633		
	EFFECTIVE DATE: 07/01/93—SECTIONS 1-22, 24-32 & 34-64		
	EFFECTIVE DATE: 07/01/94—SECTIONS 23 & 33		

HB 668 INTRODUCED BY BERGSAGEL, ET AL.

REVISE APPLICATION PROCEDURE FOR CULTURAL GRANT FOR LOCAL FACILITY

BY REQUEST OF JOINT SUBCOMMITTEE ON LONG-RANGE PLANNING

3/10	INTRODUCED		
3/10	REFERRED TO APPROPRIATIONS		
3/10	FIRST READING		
3/12	HEARING		
3/17	HEARING		
3/18	COMMITTEE REPORT—BILL PASSED		
3/23	2ND READING PASSED	92	5
3/24	3RD READING PASSED	98	2
	TRANSMITTED TO SENATE		
3/26	FIRST READING		

RPT. LCB4 FINAL COMMITTEE REPORT OF REFERRED BILLS RUN TIME 16:01
RUN DATE.... 05/03/93

CHAIRMAN--JOHN COBB **COMMITTEE--HOUSE SELECT COMMITTEE ON SCHOOL FUNDING**
SECRETARY-EVELYN HENDRICKSON
NORMAL SCHEDULE => SITE: ROOM 325 DAYS: ON CALL TIME:

BILL NO--	REFERRED	HEARING	OTHER CONSIDERATION DATES	EXECUTIVE ACTION/DATE/VOTE			REREFERRED	DATE READ
HB0052	COBB, JOHN 1/04		ALLOWING A SCHOOL DISTRICT TO EXCEED FUNDING LIMITS FOR BASIC EDUCATION	VOTE:				
HB0558	HANSEN, STELLA JEAN 2/10	2/18	REQUIRE K-12 DISTRICTS FOR EACH 5,000 STUDENTS IN A COUNTY	VOTE:				
HB0665	KADAS, MIKE 3/09	3/11	INCREASING FEES ON CERTAIN LEASES ON STATE SCHOOL TRUST LANDS	PASS AS AMENDED	3/12	VOTE: 14-2	EDUCATION	3/13
HB0667	FAGG, RUSSELL 3/09	3/11	IMPROVING EQUITY BY RESTRUCTURING THE FUND AND BUDGETING FOR SCHOOLS	PASS AS AMENDED	3/13	VOTE: 6-0	EDUCATION	3/13
SB0031	BLAYLOCK, CHET 1/12		CLARIFYING REIMBURSEMENT RATES IN SCHOOL DISTRICT TRANSPORTATION LAWS	VOTE:			EDUCATION	
SB0278	CHRISTIAENS, CHRIS 3/02	3/16	REVISE LAWS RELATED TO EDUCATION SERVICES IN CHILDREN'S TREATMENT FACILITIES	CONCUR	3/16	VOTE: 8-0	EDUCATION	3/17
SB0348	HALLIGAN, MIKE 3/02	3/16	REVISE SPECIAL EDUCATION FUND DISTRIBUTION	CONCUR	3/16	VOTE: 8-0	EDUCATION	3/17

LC 1551/01

House BILL NO. 667

INTRODUCED BY Jay Stovall Stapleton Kadas

BY REQUEST OF THE HOUSE SELECT COMMITTEE ON EDUCATION

Wm E Boharski Winnifred Russell Webb

A BILL FOR AN ACT ENTITLED: "AN ACT EQUALIZING THE STUDENT AND TAXPAYER EQUITY FOR MONTANA PUBLIC K-12 EDUCATION BY RESTRUCTURING THE FUNDING AND BUDGET MECHANISMS FOR SCHOOL DISTRICT GENERAL FUND BUDGETS; CALCULATING A MAXIMUM GENERAL FUND BUDGET FOR EACH DISTRICT BASED ON A BASIC ENTITLEMENT AND A TOTAL PER-ANB ENTITLEMENT; ALLOWING A DISTRICT UP TO 5 YEARS TO BUDGET 80 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT, DESIGNATED AS THE BASE AMOUNT FOR SCHOOL EQUITY (BASE) BUDGET FOR THE DISTRICT; PROVIDING THAT 45 PERCENT OF THE BASIC ENTITLEMENT AND 45 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH DIRECT STATE AID AND THAT 35 PERCENT OF THE BASIC ENTITLEMENT AND 35 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH LOCAL REVENUE SOURCES AND GUARANTEED TAX BASE AID IF THE DISTRICT IS ELIGIBLE; PROVIDING THAT THE REMAINING 20 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET OF A DISTRICT BE FUNDED WITH LOCAL REVENUE WITHOUT LOCAL VOTER APPROVAL; LIMITING GENERAL FUND BUDGET GROWTH THAT IS ABOVE THE BASE BUDGET AND BELOW THE MAXIMUM GENERAL FUND BUDGET TO 104 PERCENT OF THE PREVIOUS YEAR'S TOTAL GENERAL FUND BUDGET OR 104 PERCENT OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB; PROVIDING GENERAL FUND GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS AT 236 PERCENT OF THE STATEWIDE TAXABLE VALUATION PER-ANB; REQUIRING DISTRICTS ABOVE THE ALLOWABLE MAXIMUM GENERAL FUND BUDGET TO REDUCE BUDGETS BY AT LEAST 2 PERCENT PER YEAR UNTIL THE MAXIMUM GENERAL FUND BUDGET LEVEL IS ACHIEVED; REQUIRING VOTER APPROVAL OF A DISTRICT GENERAL FUND BUDGET ABOVE THE MAXIMUM GENERAL FUND BUDGET; AMENDING SECTIONS 20-3-106, 20-3-324, 20-5-305, 20-5-312, 20-6-506, 20-6-603, 20-6-702, 20-9-104, 20-9-113, 20-9-141, 20-9-147, 20-9-162, 20-9-163, 20-9-303, 20-9-305, 20-9-311, 20-9-314, 20-9-321, 20-9-343, 20-9-344, 20-9-347, 20-9-351, 20-9-353, 20-9-366, 20-9-367, AND 20-9-368, MCA; REPEALING SECTIONS 20-9-145, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, 20-9-322, 20-9-348, MCA, AND SECTION 12, CHAPTER 6, SPECIAL LAWS OF JULY 1992; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, it is the intent of the Legislature to enhance both student equity and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; and

WHEREAS, for these purposes, the Legislature determines that the foundation program funding mechanism of the past 4

decades be replaced with a public school funding system designed to yield greater equalization of both district general fund budgets per-ANB and district taxpayer efforts within a reasonable number of years. The Legislature has structured the base amount for school equity (BASE) funding program to contain components that can be modified to meet a number of state and school district objectives and economic realities but that will still maintain the essential elements of equalization as required by the Montana Constitution.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.

(2) "BASE budget" means 80% of the maximum general fund budget of a district.

(3) "BASE budget levy" means the district levy in support of the BASE budget of a district, which may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366 through 20-9-369.

(4) "BASE funding program" means the state program for the equitable distribution of the state's share of the cost of Montana's basic system of public elementary schools and

high schools, through county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in support of the BASE budgets of districts.

(5) "Basic entitlement" means:

(a) $200,000 for each high school district; and

(b) $18,000 for each elementary school district without an approved and accredited junior high school or middle school; and

(c) the prorated entitlement for each elementary school district with an approved and accredited junior high school or middle school, calculated as follows:

(i) $18,000 times the ratio of the ANB for kindergarten through grade 6 to the total ANB of kindergarten through grade 8; plus

(ii) $200,000 times the ratio of the ANB for grades 7 and 8 to the total ANB of kindergarten through grade 8.

(6) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district and the total per-ANB entitlement for the district.

(7) "Over-BASE budget levy" means the district levy in support of any general fund amount budgeted that is above the BASE budget and below the maximum general fund budget for a district.

(8) "State equalization aid" means:

(a) direct state aid for any amount up to 45% of the basic entitlement and up to 45% of the total per-ANB entitlement budgeted in the general fund budget of a district; and

(b) guaranteed tax base aid for an eligible district for any amount up to 35% of the basic entitlement and up to 35% of the total per-ANB entitlement budgeted in the general fund budget of a district.

(9) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district, $4,900 for the first ANB decreased by 50 cents for each additional ANB of the district up to 2,500 ANB, with each ANB in excess of 2,500 receiving the same amount of entitlement as the 2,500th ANB;

(b) for an elementary school district without an approved and accredited junior high school or middle school, $3,500 for the first ANB decreased by 20 cents for each additional ANB of the district up to 2,500 ANB, with each ANB in excess of 2,500 receiving the same amount of entitlement as the 2,500th ANB; and

(c) for an elementary school district with an approved and accredited junior high school or middle school, the sum of:

(i) $3,500 for the first ANB for kindergarten through grade 6 decreased by 20 cents for each additional ANB up to

2,500 ANB, with each ANB in excess of 2,500 receiving the same amount of entitlement as the 2,500th ANB; and

(ii) $4,900 for the first ANB for grades 7 and 8 decreased by 50 cents for each additional ANB for grades 7 and 8 up to 2,500 ANB, with each ANB in excess of 2,500 receiving the same amount of entitlement as the 2,500th ANB.

NEW SECTION. **Section 2. BASE funding program -- district general fund budget -- funding sources.** (1) A basic system of free quality public elementary schools and high schools must be established and maintained throughout the state of Montana to provide equality of educational opportunity to all school-age children.

(2) The state shall in an equitable manner fund and distribute to the school districts the state's share of the cost of the basic school system through state equalization aid to support the BASE funding program in the manner established in this title.

(3) The budgetary vehicle for achieving the financing system established in subsection (2) is the general fund budget of the school district. The purpose of the district general fund budget is to finance those instructional, administrative, facility maintenance, and other operational costs of a district not financed by other funds established for special purposes in this title.

(4) The BASE funding program for the districts in the

state is financed by a combination of the following sources:

(a) county equalization money, as provided in 20-9-331 and 20-9-333;

(b) state equalization aid, as provided in 20-9-343, including guaranteed tax base aid for eligible districts as provided in 20-9-366 through 20-9-369;

(c) a district levy, as provided in 20-9-302, for support of a school not approved as an isolated school under the provisions of that section; and

(d) district levies or other revenue, as provided by [section 3] and 20-9-353.

NEW SECTION. **Section 3. BASE budgets and maximum general fund budgets.** (1) For the school fiscal year beginning on [the effective date of this act], the trustees of a district shall adopt a general fund budget that:

(a) except as provided in subsection (2), is at least equal to the BASE budget established for the district; or

(b) except as provided in subsection (3), does not exceed the maximum general fund budget established for the district.

(2) If the BASE budget for a district for the school fiscal year beginning on [the effective date of this act] is greater than the general fund budget of the district for the prior school fiscal year, the trustees of the district have 5 school fiscal years in which to increase by at least equal

increments the BASE budget calculated for the district in the ensuing school fiscal years. If the general fund budget increase for the district as computed under the provisions of subsection (5)(a) is greater than any budget increase under this subsection, the district may compute the allowable general fund budget increase under subsection (5)(a).

(3) (a) If the general fund budget for the school fiscal year immediately preceding the current school fiscal year is greater than the maximum general fund budget for the district for the current school fiscal year, the trustees of the district may not adopt a general fund budget for the current school fiscal year that exceeds the greater of:

(i) 98% of the district's general fund budget for the immediately preceding school fiscal year; or

(ii) the maximum general fund budget for the district for the current school fiscal year.

(b) The trustees of the district shall submit a proposition for an additional levy to raise any amount that is in excess of the maximum general fund budget, as computed under the provisions of subsection (3)(a), to the electors who are qualified under 20-20-301 to vote on the proposition as provided in 20-9-353.

(4) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the

district, the trustees shall finance this amount with the following sources of revenue:

(a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible as provided in 20-9-366 through 20-9-369;

(b) nonlevy revenue as provided in 20-9-141; and

(c) a BASE budget levy on the taxable value of all property within the district.

(5) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district but that does not exceed the maximum general fund budget for the district, the trustees shall:

(a) limit the general fund budget adopted under this subsection (5) to the greater of:

(i) 104% of the previous year's general fund budget; or

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes;

(b) adopt a resolution stating the reasons and purposes for exceeding the BASE budget;

(c) finance the amount adopted under this subsection (5) with an over-BASE budget levy on the taxable value of all property within the district or with other revenue available to the district.

Section 4. Section 20-3-106, MCA, is amended to read:

"**20-3-106. Supervision of schools -- powers and duties.** The superintendent of public instruction has the general supervision of the public schools and districts of the state~~,~~ and ~~he~~ shall perform the following duties or acts in implementing and enforcing the provisions of this title:

(1) resolve any controversy resulting from the proration of costs by a joint board of trustees under the provisions of 20-3-362;

(2) issue, renew, or deny teacher certification and emergency authorizations of employment;

(3) negotiate reciprocal tuition agreements with other states in accordance with the provisions of 20-5-314;

(4) serve on the teachers' retirement board in accordance with the provisions of 2-15-1010;

(5) approve or disapprove the orders of a high school boundary commission in accordance with the provisions of 20-6-311;

(6) approve or disapprove the opening or reopening of a school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-505;

(7) approve or disapprove school isolation within the limitations prescribed by 20-9-302;

(8) generally supervise the school budgeting procedures prescribed by law in accordance with the provisions of 20-9-102 and prescribe the school budget format in

accordance with the provisions of 20-9-103 and 20-9-506;

(9) establish a system of communication for calculating joint district revenues in accordance with the provisions of 20-9-151;

(10) approve or disapprove the adoption of a district's budget amendment resolution under the conditions prescribed in 20-9-163 and adopt rules for an application for additional state aid for a budget amendment in accordance with the approval and disbursement provisions of 20-9-166;

(11) generally supervise the school financial administration provisions as prescribed by 20-9-201(2);

(12) prescribe and furnish the annual report forms to enable the districts to report to the county superintendent in accordance with the provisions of 20-9-213(5) and the annual report forms to enable the county superintendents to report to the superintendent of public instruction in accordance with the provisions of 20-3-209;

(13) approve, disapprove, or adjust an increase of the average number belonging (ANB) in accordance with the provisions of 20-9-313 and 20-9-314;

(14) distribute state equalization aid in support of the ~~foundation~~ BASE funding program ~~and guaranteed tax base aid~~, in accordance with the provisions of 20-9-331, 20-9-333, 20-9-342, 20-9-346, 20-9-347, and 20-9-366 through 20-9-369;

(15) distribute state impact aid in accordance with the

provisions of 20-9-304;

(16) provide for the uniform and equal provision of transportation by performing the duties prescribed by the provisions of 20-10-112;

(17) approve or disapprove an adult education program for which a district proposes to levy a tax in accordance with the provisions of 20-7-705;

(18) request, accept, deposit, and expend federal money in accordance with the provisions of 20-9-603;

(19) authorize the use of federal money for the support of an interlocal cooperative agreement in accordance with the provisions of 20-9-703 and 20-9-704;

(20) prescribe the form and contents of and approve or disapprove interstate contracts in accordance with the provisions of 20-9-705;

(21) approve or disapprove the conduct of school on a Saturday or on pupil-instruction-related days in accordance with the provisions of 20-1-303 and 20-1-304;

(22) recommend standards of accreditation for all schools to the board of public education and evaluate compliance with the standards and recommend accreditation status of every school to the board of public education in accordance with the provisions of 20-7-101 and 20-7-102;

(23) collect and maintain a file of curriculum guides and assist schools with instructional programs in accordance

with the provisions of 20-7-113 and 20-7-114;

(24) establish and maintain a library of visual, aural, and other educational media in accordance with the provisions of 20-7-201;

(25) license textbook dealers and initiate prosecution of textbook dealers violating the law in accordance with the provisions of the textbooks part of this title;

(26) as the governing agent and executive officer of the state of Montana for K-12 vocational education, adopt the policies prescribed by and in accordance with the provisions of 20-7-301;

(27) supervise and coordinate the conduct of special education in the state in accordance with the provisions of 20-7-403;

(28) administer the traffic education program in accordance with the provisions of 20-7-502;

(29) administer the school food services program in accordance with the provisions of 20-10-201, 20-10-202, and 20-10-203;

(30) review school building plans and specifications in accordance with the provisions of 20-6-622;

(31) prescribe the method of identification and signals to be used by school safety patrols in accordance with the provisions of 20-1-408;

(32) provide schools with information and technical

assistance for compliance with the student assessment rules provided for in 20-2-121 and collect and summarize the results of the student assessment for the board of public education and the legislature;

(33) administer the distribution of guaranteed tax base aid for county retirement levy obligations in accordance with 20-9-366 through 20-9-369; and

(34) perform any other duty prescribed from time to time by this title, any other act of the legislature, or the policies of the board of public education."

Section 5. Section 20-3-324, MCA, is amended to read:

"**20-3-324. Powers and duties.** As prescribed elsewhere in this title, the trustees of each district shall:

(1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district superintendent, the county high school principal, or other principal as the board considers necessary, accepting or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the provisions of Title 20, chapter 4;

(2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians, maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered necessary to carry out the various services of the district;

(3) administer the attendance and tuition provisions and otherwise govern the pupils of the district in accordance with the provisions of the pupils chapter of this title;

(4) call, conduct, and certify the elections of the district in accordance with the provisions of the school elections chapter of this title;

(5) participate in the teachers' retirement system of the state of Montana in accordance with the provisions of the teachers' retirement system chapter of Title 19;

(6) participate in district boundary change actions in accordance with the provisions of the districts chapter of this title;

(7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the provisions of the school organization part of this title;

(8) adopt and administer the annual budget or a budget amendment of the district in accordance with the provisions of the school budget system part of this title;

(9) conduct the fiscal business of the district in accordance with the provisions of the school financial administration part of this title;

(10) establish the ANB, ~~foundation program, permissive,~~ BASE budget levy, over-BASE budget levy, additional levy, operating reserve, and state impact aid amounts for the

general fund of the district in accordance with the provisions of the general fund part of this title;

(11) establish, maintain, budget, and finance the transportation program of the district in accordance with the provisions of the transportation parts of this title;

(12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions of the bonds parts of this title;

(13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund, building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous federal programs fund, building fund, lease or rental agreement fund, traffic education fund, and interlocal cooperative agreement fund in accordance with the provisions of the other school funds parts of this title;

(14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in accordance with the provisions of the miscellaneous financial parts of this title;

(15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with the provisions of the school sites and facilities part of this title;

(16) operate the schools of the district in accordance

with the provisions of the school calendar part of this title;

(17) establish and maintain the instructional services of the schools of the district in accordance with the provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

(18) establish and maintain the school food services of the district in accordance with the provisions of the school food services parts of this title;

(19) make reports from time to time as the county superintendent, superintendent of public instruction, and board of public education may require;

(20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions of the school or the general health conditions of each pupil and, upon request, make available to any parent or guardian any medical reports or health records maintained by the district pertaining to ~~his~~ a child;

(21) for each member of the trustees, visit each school of the district not less than once each school fiscal year to examine its management, conditions, and needs, except trustees from a first-class school district may share the responsibility for visiting each school in the district;

(22) procure and display outside daily in suitable

weather at each school of the district an American flag that measures not less than 4 feet by 6 feet;

(23) adopt and administer a district policy on assessment for placement of any child who enrolls in a school of the district from a nonpublic school that is not accredited, as required in 20-5-110; and

(24) perform any other duty and enforce any other requirements for the government of the schools prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public instruction."

Section 6. Section 20-5-305, MCA, is amended to read:

"**20-5-305. Elementary tuition rates.** (1) Whenever a pupil of an elementary district has been granted approval to attend a school outside of the district in which ~~he~~ the pupil resides, under the provisions of 20-5-301 or 20-5-302, the district of residence shall pay tuition to the elementary district where the pupil attends school. Except as provided in subsection (2), the basis of the rate of tuition ~~shall~~ must be determined by the attended district. The rate of tuition must be determined on March 15 by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a)

by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed---by---the foundation--program-schedules~~ received in state equalization aid for support of the district BASE budget and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive--and~~ retirement mills levied.

(2) The tuition for a full-time elementary special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of elementary tuition for full-time elementary special education pupils as designated in 20-9-311 for funding purposes."

Section 7. Section 20-5-312, MCA, is amended to read:

"**20-5-312. Reporting, budgeting, and payment for high school tuition.** (1) Except as provided in subsection (2), on March 15, the trustees of each high school district shall determine the rate of tuition for the current school fiscal year by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt

service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) above by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed---by---the foundation--program-schedules~~ received in state equalization aid in support of the district BASE budget and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive--and~~ retirement mills levied.

(2) The tuition for a full-time high school special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of tuition for full-time high school special education pupils as designated in 20-9-311 for funding purposes.

(3) Before July 15, the trustees shall report to the county superintendent of the county in which the district is located:

(a) the names, addresses, and resident districts of the pupils attending the schools of the district under an approved tuition agreement;

(b) the number of days of school attended by each pupil;

(c) the amount, if any, of each pupil's tuition payment that the trustees, in their discretion, have the authority to waive; and

(d) the rate of current school fiscal year tuition, as determined under the provisions of this section.

(4) When the county superintendent receives a tuition report from a district, ~~he~~ the county superintendent shall immediately send the reported information to the superintendent of each district in which the reported pupils reside.

(5) When the district superintendent receives a tuition report or reports for high school pupils residing in ~~his~~ the district and attending an out-of-district high school under approved tuition agreements, ~~he~~ the district superintendent shall determine the total amount of tuition due the out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils attending under an approved tuition agreement, and other information provided by each high school district where resident district pupils have attended school.

(6) The total amount of the high school tuition, with consideration of any tuition waivers, for pupils attending a high school outside the county of residence must be financed

by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall ~~cause the payment~~ pay by county warrant ~~of~~ at least one-half of the high school tuition obligations established under this section out of the first money realized from the county basic special tax for high schools. The remaining obligations must be paid by June 15 of the school fiscal year. The payments must be made to the county treasurer of the county where each high school entitled to tuition is located. Except as provided in subsection (8), the county treasurer shall credit tuition receipts to the general fund of the applicable high school district, and the tuition receipts must be used in accordance with the provisions of 20-9-141.

(7) For pupils attending a high school outside their district of residence but within the county of residence, the total amount of the tuition, with consideration of any tuition waivers, must be paid during the ensuing school fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition fund of the preliminary and final budgets. This budgeted tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall report the net tuition fund levy requirement for each high school district to the county commissioners on the second

Monday of August, and a levy on the district must be made by the county commissioners in accordance with 20-9-142. The levy requirement must be calculated by subtracting from the total expenditure amount authorized in the final tuition fund budget the sum of the fund balance in the tuition fund at the end of the immediately preceding school fiscal year plus any other anticipated money that may be realized in the tuition fund. The trustees shall pay by warrants drawn on the tuition fund the tuition amounts owed to each district included in the county superintendent's notification. Payments must be made whenever there is a sufficient amount of cash available in the tuition fund but no later than the end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a hearing and either approve or disapprove the transfer.

(8) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or this part for the current school fiscal year must be deposited in a separate account of the district miscellaneous programs fund and may be used for that year in the manner provided for in that fund. For the ensuing school fiscal year, the receipts must be credited to the district general fund budget."

Section 8. Section 20-6-506, MCA, is amended to read:

"**20-6-506. Budgeting and cost sharing when junior high school operated by elementary district and high school district operating a county high school.** (1) Whenever the opening of a junior high school is approved for the ensuing school fiscal year under 20-6-505, the county superintendent shall estimate the average number belonging (ANB) after investigating the probable enrollment for the junior high school. The ANB determined by the county superintendent and the ANB actually realized in subsequent school fiscal years must be applied ~~under 20-9-320~~ as provided in [section 1 (9)(c)(ii)] to prorate the ~~foundation--program--schedule amount--provided--in--20-9-303(2)(a)~~ BASE funding program amount between the elementary and high school districts. Each district shall adopt its general fund budget on the basis of the prorated amount and shall finance its proportionate share of the cost of operating the junior high school.

(2) The cost of operating the junior high school must be prorated between the elementary district and the high school district on the basis of the ratio that the number of pupils of their district is to the total enrollment of the junior high school."

Section 9. Section 20-6-603, MCA, is amended to read:

"**20-6-603. Trustees' authority to acquire or dispose of**

sites and buildings -- when election required. (1) The trustees of ~~any~~ a district may purchase, build, exchange, or otherwise acquire, sell, or dispose of sites and buildings of the district. Action may not be taken by the trustees without the approval of the qualified electors of the district at an election called for the purpose of approval unless:

(a) a bond issue has been authorized for the purpose of constructing, purchasing, or acquiring the site or building;

(b) an additional levy under the provisions of 20-9-353 has been approved for the purpose of constructing, purchasing, or acquiring the site or building;

(c) the cost of constructing, purchasing, or acquiring the site or building is ~~financed~~ paid from the district general fund budget without exceeding the ~~foundation program schedule--amount--provided in 20-9-303(2)(a)~~ maximum general fund budget amount for the district, and in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or

(d) money is otherwise available under the provisions of this title and the ballot for the site approval for the building incorporated a description of the building to be located on the site.

(2) When an election is conducted under the provisions of this section, it must be called under the provisions of

20-20-201 and must be conducted in the manner prescribed by this title for school elections. An elector qualified to vote under the provisions of 20-20-301 may vote in the election. If a majority of those electors voting at the election approve the proposed action, the trustees may take the proposed action."

Section 10. Section 20-6-702, MCA, is amended to read:

"**20-6-702. Funding for K-12 school districts.** (1) Notwithstanding the provisions of subsections (2) through (6), a K-12 school district formed under the provisions of 20-6-701 is subject to the provisions of law for high school districts.

(2) The number of elected trustees of the K-12 school district must be based on the classification of the attached elementary district under the provisions of 20-3-341 and 20-3-351.

(3) Calculations for the following must be made separately for the elementary school program and the high school program of a K-12 school district:

(a) the calculation of ANB for purposes of determining the ~~foundation--program--schedule--payments~~ total per-ANB entitlements must be in accordance with the provisions of 20-9-311;

(b) the basic county tax and revenues for the elementary ~~foundation~~ BASE funding program amount for the

district must be determined in accordance with the provisions of 20-9-331, and the basic special tax and revenues for the high school ~~foundation~~ BASE funding program amount for the district must be determined in accordance with 20-9-333; and

(c) the guaranteed tax base aid for ~~the permissive levy amount~~ BASE funding program purposes for a K-12 school district must be calculated separately, using the ~~mill~~ district taxable value per elementary ANB and the ~~mill~~ district taxable value per high school ANB ~~as defined in 20-9-366~~. The ~~permissive amount~~ BASE budget levy, over-BASE budget levy, or additional levy to be levied for the K-12 school district must be prorated based on the ratio of the ~~foundation~~ BASE funding program amounts for elementary school programs to the ~~foundation~~ BASE funding program amounts for high school programs.

(4) The retirement obligation and eligibility for retirement guaranteed tax base aid for a K-12 school district must be calculated and funded as a high school district retirement obligation under the provisions of 20-9-501.

(5) For the purposes of budgeting for a K-12 school district, the trustees shall adopt a single fund for any of the budgeted or nonbudgeted funds described in 20-9-201 for the costs of operating all grades and programs of the

district.

(6) Tuition for attendance in the K-12 school district must be determined separately for high school pupils and for elementary pupils under the provisions of chapter 5, part 3, except that the actual expenditures used for calculations in 20-5-305 and 20-5-312 must be based on an amount prorated between the elementary and high school programs in the appropriate funds of each district in the year prior to the attachment of the districts."

Section 11. Section 20-9-104, MCA, is amended to read:

"20-9-104. ~~(Temporary)~~ General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) ~~through (7)~~ and (6), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Excess reserves as provided in subsection (5) may

be appropriated to reduce the ~~permissive--levy--provided--by 20-9-145--or--to--reduce--the--voted~~ BASE budget levy, the over-BASE budget levy, or the additional levy provided by 20-9-353.

(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

(a) any amount received under Public Law 81-874;

(b) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

(c) any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply

when the amount earmarked as operating reserve is $10,000 or less.

~~(7)--For-fiscal-year-1993,-the-limitation-of--subsection (1)--does--not--apply--when--the--amount--in--excess--of-the limitation-is-equal-to-or-less-than-the--amounts--identified by-a-school-district-as-one-or-more-of-the-following:~~

~~(a)--any-amount-received-under-Public-Law-81-874;~~

~~(b)--the-unused-balance-of-any-amount-received:~~

~~(i)--in--settlement-of-tax-payments-protested-in-a-prior school-fiscal-year;~~

~~(ii)-in-taxes-from-a--prior--school--fiscal--year--as--a result--of--a--tax-audit-by-the-department-of-revenue-or-its agents;-and~~

~~(iii)-in-delinquent-taxes-from--a--prior--school--fiscal year;-or~~

~~(c)--any--amount--received--as--a--general-bonus-payment under-20-6-401;-~~

~~20-9-104.--(Effective--on--occurrence--of---contingency) General--fund--operating--reserve.~~ ~~(1)--At--the-end-of-each school-fiscal-year,-the--trustees--of--each--district--shall designate--the--portion--of-the-general-fund-end-of-the-year fund-balance-that-is-to-be-earmarked--as--operating--reserve for--the--purpose--of-paying-general-fund-warrants-issued-by the-district-from-July-1--to--November--30--of--the--ensuing school--fiscal--year.--Except-as-provided-in-subsections-(5)

through (7), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Any unreserved fund balance that is equal to or less than the prior year's excess reserves as provided in subsection (5) may be used to reduce the permissive levy provided by 20-9-145 or to reduce the voted levy provided by 20-9-353.

(4) Any portion of the general fund end of the year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

(a) any amount received under Public Law 81-874 in the current school fiscal year;

(b) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior

school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

(c) any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.

(7) A district that received Public Law 81-874 money in a prior year and that must reduce its operating reserve to 10% pursuant to this section in the next school fiscal year may consider a percentage of the unreserved fund balance to be an excess amount as provided in subsection (5). The percentage of unreserved fund balance that may be considered an excess amount is the average of the 3 previous years' ratio of total district general fund revenue to Public Law 81-874 money received."

Section 12. Section 20-9-113, MCA, is amended to read:

"20-9-113. Preparation and adoption of preliminary budget by trustees. (1) The trustees of each a district shall meet at their regular place of meeting at any time from February 1 through the fourth Monday in June, at the

discretion of the board, to adopt a preliminary budget for the next ensuing school fiscal year. This budget meeting may be continued from day to day but ~~shall~~ may not exceed 5 days in total. Any taxpayer in the district may attend ~~such~~ the meeting and be heard in regard to the preliminary budget or any item or amount proposed to be included in ~~such~~ the budget. The preliminary budget ~~shall~~ must include all funds ~~which~~ that require the adoption of a budget and ~~which~~ that the trustees wish to utilize during the ensuing year.

(2) The proposed expenditures adopted as the preliminary budget ~~shall~~ must be entered on the appropriate portion of the budget form. The amount of the preliminary general fund budget for a district ~~shall~~ may not exceed the ~~foundation-program-of-such~~ maximum general fund budget for the district except in the manner permitted by the laws of Montana. If any appropriation item of the preliminary budget provides for the payment of wages or salaries to more than one person, the district shall attach to the preliminary budget a separate listing of each position of employment with the budgeted amount of compensation for each position.

(3) After the adoption of the preliminary budget by the trustees, the ~~chairman~~ presiding officer of the trustees and the clerk of the district shall sign the budget form, and it shall constitute the preliminary budget for the district. The trustees shall send both copies of the adopted

preliminary budget, with all appendages and any other information required by law, to the county superintendent on or before the fifth day after the fourth Monday of June.

(4) At least 2 weeks before the first meeting day on adoption of a preliminary budget for the ensuing school fiscal year, as required by this section, the trustees of a district shall publish a notice of the meeting at least one time in a newspaper of general circulation in the district. The notice must state that any taxpayer in the district may attend the meeting and be heard on the preliminary budget."

Section 13. Section 20-9-141, MCA, is amended to read:

"20-9-141. Computation of general fund net levy requirement by county superintendent. (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the amount established by the ~~schedules-in-20-9-316-through--20-9-321~~ state equalization aid share of the BASE budget for the district by totaling:

(i) the district's nonisolated school ~~foundation program~~ BASE budget requirement to be met by a district levy as provided in 20-9-303; and

(ii) any ~~additional~~ general fund budget amount adopted by the trustees of the district under the provisions of

~~20-9-145~~ [section 3] and 20-9-353, including any additional ~~levies~~ funding for a general fund budget that exceeds the maximum general fund budget as authorized by the electors of the district.

(b) Determine the money available for the reduction of the property tax on the district for the general fund by totaling:

(i) anticipated federal money received under the provisions of Title I of Public Law 81-874 or other anticipated federal money received in lieu of that federal act;

(ii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-303, 20-5-307, 20-5-312, and 20-5-313;

(iii) general fund balance reappropriated, as established under the provisions of 20-9-104;

(iv) anticipated or reappropriated state impact aid received under the provisions of 20-9-304;

(v) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

(vi) anticipated net proceeds taxes for new production, as defined in 15-23-601;

(vii) anticipated revenue from local government severance taxes as provided in 15-36-112;

(viii) anticipated revenue from coal gross proceeds under 15-23-703;

(ix) anticipated interest to be earned or reappropriated interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4);

(x) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702; and

(xi) any other revenue anticipated by the trustees to be received during the ensuing school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid.

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any ~~additional~~ general fund budget amount adopted by the trustees of the district ~~as-the-permissive-amount-under-the-provisions--of--20-9-145,~~ up to the BASE budget amount, to determine the general fund ~~permissive-net~~ BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget levy, a district levy as provided in 20-9-303, and an additional levy as provided in 20-9-353 to determine ~~the~~ any additional

general fund levy ~~requirement~~ requirements.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the district to finance the general fund ~~permissive--net~~ levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the taxable valuation of the district divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the second Monday of August by the county superintendent as the ~~general--fund--permissive--net-levy requirement--and--the--additional~~ general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142."

Section 14. Section 20-9-147, MCA, is amended to read:

"**20-9-147. Approval to amend general fund budget for ensuing school fiscal year.** (1) The trustees of a district may determine that expenses from the following sources will need to be funded by the general fund budget in the ensuing school fiscal year:

(a) a budget amendment authorized under the provisions of 20-9-161 through 20-9-163;

(b) metal mines tax reserve fund authorized in 20-9-231;

(c) special education expenditures approved under the provisions of 20-9-321(3);

(d) transfer of services from or dissolution of a special education cooperative; and

(e) tuition receipts deposited in the miscellaneous programs fund.

(2) Whenever the trustees determine that expenses from the sources in subsection (1) will need to be funded by the general fund in the ensuing year and the expenses will cause the general fund budget to exceed the maximum general fund budget for the district, the trustees shall petition the superintendent of public instruction for approval to add the expenditures from any of the sources to the current year's general fund budget for the purposes of calculating the ensuing year's general fund budget limitation. The petition must set forth in writing the specific reasons for the request ~~and~~, a report of the actual expenditures, and certification that any expenditures from the sources will not continue into the ensuing school fiscal year.

(3) The superintendent of public instruction shall promptly approve or disapprove the petition for approval to

add the expenditures from the sources in subsection (1) to the current year's general fund budget for the purposes of calculating the ensuing year's general fund budget."

Section 15. Section 20-9-162, MCA, is amended to read:

"**20-9-162. Authorization for budget amendment adoption.** (1) Notwithstanding the provisions of subsections (2) and (3), a budget amendment may be adopted at any time of the school fiscal year, except that a budget amendment required by an enrollment increase that could not have been anticipated at the time of the adoption of the regular budget as provided in 20-9-161(1) may not be adopted until after October 1.

(2) If a budget amendment for the reasons provided in 20-9-161(1) through (4) does not cause the district general fund budget to exceed the ~~limitations--in--20-9-315~~ maximum general fund budget for the district, the trustees may approve the budget amendment by a resolution as provided in 20-9-163. The trustees shall send a copy of the resolution to the county superintendent and to the board of county commissioners of the county.

(3) The trustees shall submit the following to the superintendent of public instruction for approval in the manner provided in 20-9-163:

(a) a budget amendment for the reasons provided in 20-9-161(5) and (6); and

(b) a budget amendment for any reason provided in 20-9-161(1) through (4) that causes the district general fund budget to exceed the ~~limitations--in--20-9-315~~ maximum general fund budget for the district."

Section 16. Section 20-9-163, MCA, is amended to read:

"**20-9-163. Resolution for budget amendment -- petition to superintendent of public instruction.** (1) Notwithstanding the provisions of subsection (3), whenever the trustees of a district decide that a budget amendment is necessary, they may adopt a resolution proclaiming the budget amendment by a majority vote of the trustees. The budget amendment resolution must also state the facts constituting the need for the budget amendment, the estimated amount of money required to fund the budget amendment, the funds affected by the budget amendment, and the time and place the board will meet for the purpose of considering and adopting a budget amendment for funds for the current school fiscal year.

(2) If the trustees of a school district determine that the proposed budget amendment will cause the district general fund to exceed the ~~limitations-of--20-9-315~~ maximum general fund budget for the district or if the proposed budget amendment is for the reasons provided in 20-9-161(5) and (6), the trustees shall petition the superintendent of public instruction for permission to adopt a resolution for a budget amendment. The petition must set forth in writing

the reasons for the request, the district funds affected by the budget amendment, the estimated amount of money required for the budget amendment for each affected fund, the anticipated sources of financing for the budget amendment expenditures, certification that the expenditures will not continue into the ensuing school fiscal year, and any other information required by the superintendent of public instruction. The petition must be signed by a majority of the trustees.

(3) (a) The superintendent of public instruction shall promptly approve or disapprove the petition requesting approval to adopt a resolution for a budget amendment. The superintendent of public instruction may not approve the petition unless it can be certified that the expenditures in excess of the maximum general fund budget will not continue into the ensuing school fiscal year.

(b) If the petition is approved, the trustees may adopt a resolution for a budget amendment and take all other steps required for the adoption of a budget amendment. Approval of a petition by the superintendent of public instruction authorizes the board of trustees to initiate a budget amendment by resolution and does not relieve the trustees of the necessity of complying with the requirements of the school budgeting laws. Approval of the petition may not be construed as approval of any subsequent application for

increased state aid on account of the budget amendment."

Section 17. Section 20-9-303, MCA, is amended to read:

"20-9-303. ~~Definition----of---foundation---program-----nonisolated-school-foundation-program-financing~~ Nonisolated school BASE budget funding -- special education funds. ~~(1) As-used-in-this-title,-the-term-"foundation--program"--means the--minimum-expenditures-that-are-sufficient-to-provide-for the-educational-program-of-a-school.-The-foundation--program relates---only---to---those--expenditures--authorized--by--a district's--general--fund--budget--and---may---not---include expenditures-from-any-other-fund.-It-is-financed-by:~~

~~(a)--county--equalization-money,-as-provided-in-20-9-331 and-20-9-333;~~

~~(b)--state-equalization-aid,-as-provided-in-20-9-343;~~

~~(c)--appropriations-for-special-education;-and~~

~~(d)--a-district-levy-as-provided-in-subsection--(3)--for support-of-a-school-not-approved-as-an-isolated-school-under the-provisions-of-20-9-302.~~

~~(2)--The-foundation-program-includes:~~

~~(a)--amounts-in-support-of-general-education-programs-as provided-in-the-schedules-in-20-9-316-through-20-9-320;-and~~

~~(b)--payments--in--support-of-special-education-programs under-20-9-321.~~

~~(3)~~ An elementary school ~~having~~ that has an ANB of nine or fewer pupils for 2 consecutive years ~~which~~ and that is

not approved as an isolated school under the provisions of 20-9-302 may budget and spend the ~~schedule~~ BASE budget amount, but the county and state shall ~~participate in financing~~ provide one-half of the ~~foundation--program~~ state equalization aid computed under 20-9-347, and the district shall finance the remaining ~~one-half~~ BASE budget amount by a tax levied on the property of the district. When a school of nine or fewer pupils is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing of the total amount of the ~~foundation-program~~ BASE budget.

~~(4)~~(2) Funds provided to support the special education accounting budget may be expended only for special education purposes as approved by the superintendent of public instruction in accordance with the special education budgeting provisions of this title. ~~Expenditures~~ Budgeting and expenditures for special education must be accounted for separately from and in addition to the balance of the school district general fund budgeting requirements provided in [sections 2 and 3]. Transfers between items within the special education budget for accounting purposes may be made at the discretion of the board of trustees in accordance with the financial administration part of this title. The unexpended balance of the special education accounting budget carries over to the next year to reduce the amount of

funding required to finance the district's ensuing year's ~~foundation--program~~ allowable cost amount for special education."

Section 18. Section 20-9-305, MCA, is amended to read:

"**20-9-305. Proration and calculation of ~~foundation~~ BASE funding program for a joint district.** (1) In joint districts, the ~~foundation-program-shall~~ BASE funding program for the BASE budget of a joint district must be prorated among the counties in which any part of the joint district is located for the purpose of determining the amount of each source of revenue for the ~~foundation--program~~ BASE funding program for which each county is obligated. The proration of the joint district ~~foundation--program-shall~~ BASE budget must be calculated as follows:

(a) Divide the joint district ~~foundation--program~~ BASE budget by the ANB of the joint district to determine the per-ANB amount of the ~~foundation-program~~ BASE budget.

(b) Determine the ANB for each county's portion of the joint district on the basis of each pupil's resident county. When taken together, the sum of the ANB assigned to all the counties ~~shall~~ must equal the total ANB for the joint district.

(c) Multiply the per-ANB amount of the ~~foundation program~~ BASE budget determined in subsection (1)(a) by the ANB for each county's portion, as determined in subsection

(1)(b), to determine the portion of the ~~foundation-program~~ BASE budget for each county.

(2) The portion of a joint district ~~foundation--program~~ BASE budget for each county, as determined in subsection (1)(c) ~~of this section, shall be considered as~~ is a separate ~~foundation~~ BASE budget program in ~~such~~ the county for the purposes of calculating the various revenues for the ~~foundation~~ BASE funding program. After the calculation of the ~~foundation--program~~ BASE funding program revenues, the remainder of the general fund revenues ~~shall~~ must be calculated in accordance with the provisions for general fund financing."

Section 19. Section 20-9-311, MCA, is amended to read:

"**20-9-311. Calculation of average number belonging (ANB).** (1) Average number belonging (ANB) must be computed by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180. However, when a school district has approval to operate less than 180 school days under 20-9-804, the total must be calculated in

accordance with the provisions of 20-9-805. For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days and 7 pupil-instruction-related days. Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day. In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at or absence from a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half day attended or absent as the case may be. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case~~ may the ANB may not exceed one-half for each kindergarten pupil. When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his~~ the absence after the 10th day of absence may not be included in the aggregate days of absence and ~~his~~ the pupil's enrollment in the school may not be considered in the calculation of the ~~average number belonging~~ ANB until ~~he~~ the pupil resumes attendance at school.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the~~

~~special--education--program,--he--is--considered-a-full-time special-pupil-but-is-not-considered-regularly--enrolled--for ANB--purposes.--If-a-student-spends-half-or-more-of-his-time in-school-in-the-regular-program-and-the-balance-of-his-time in-the-special-education-program,-he-is-considered-regularly enrolled-for-ANB-purposes.~~

~~(3)~~(2) The ~~average--number--belonging~~ ANB of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) ~~(i)-a-school-of-the-district-is-located-more-than-3 miles-beyond-the-incorporated--limits--of--a--city--or--town located-in-the-district-and-3-miles-from-any-other-school-of the--district,--all--of--the--regularly--enrolled,-full-time pupils-of-the-school-must-be-calculated-separately--for--ANB purposes,-or~~

~~(ii)-a--school--of--the--district-is-located-more-than-3 miles--from--any--other--school--of--the--district--and---no incorporated--territory--is-involved-in-the-district,-all-of the-regularly-enrolled,-full-time-pupils-of-the-school--must be-calculated-separately-for-ANB-purposes,~~

~~(b)~~ a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be

considered as high school district pupils for ANB purposes;

~~(c)~~(b) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~(c) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the ~~foundation~~ BASE funding program for the district.

~~(4)~~(3) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction."

Section 20. Section 20-9-314, MCA, is amended to read:

"20-9-314. Procedures for determining eligibility and amount of increased average number belonging due to unusual enrollment increase. A district that anticipates an unusual increase in enrollment in the ensuing school fiscal year, as provided for in 20-9-313(4), may increase its ~~foundation~~

program total per-ANB entitlement for the ensuing school fiscal year in accordance with the following provisions:

(1) Prior to May 10, the district shall estimate the elementary or high school enrollment to be realized during the ensuing school fiscal year, based on as much factual information as may be available to the district.

(2) No later than May 10, the district shall submit its application for an unusual enrollment increase by elementary or high school level to the superintendent of public instruction. The application must include:

(a) the enrollment for the preceding school fiscal year;

(b) the average number belonging used to calculate the ~~foundation-program-schedule-amount~~ total per-ANB entitlement for the current school fiscal year;

(c) the average number belonging that will be used to calculate the ~~foundation--program--schedule--amount~~ total per-ANB entitlement for the ensuing school fiscal year;

(d) the estimated enrollment, including the factual information on which the estimate is based, as provided in subsection (1); and

(e) any other information or data that may be requested by the superintendent of public instruction.

(3) The superintendent of public instruction shall immediately review all the factors of the application and

shall approve or disapprove the application or adjust the estimated average number belonging for the ensuing ANB calculation period. After approving an estimate, with or without adjustment, the superintendent of public instruction shall:

(a) determine the percentage increase that the estimated enrollment increase is over the current enrollment; and

(b) approve an increase of the average number belonging used to establish the ensuing year's ~~foundation--program~~ total per-ANB entitlement in accordance with subsection (5) if the increase in subsection (3)(a) is at least 6%.

(4) The superintendent of public instruction shall notify the district of the decision by the fourth Monday in June.

(5) Whenever an unusual enrollment increase is approved by the superintendent of public instruction, the increase of the average number belonging used to establish the ~~foundation-program~~ total per-ANB entitlement for the ensuing ANB calculation period is the difference between the enrollment for the ensuing school fiscal year and 106% of the current enrollment. The amount determined is the maximum allowable increase added to the average number belonging for the purpose of establishing the ensuing year's ~~foundation~~ **program** total per-ANB entitlement.

(6) Any ~~equalization or~~ entitlement increases resulting from provisions of this section must be reviewed at the end of the ensuing school fiscal year. If the actual enrollment is less than the average number belonging used for ~~foundation~~ BASE funding program and entitlement calculations, the superintendent of public instruction shall revise the ~~foundation program and~~ total per-ANB entitlement calculations using the actual average number belonging. All ~~payments~~ total per-ANB entitlements received by the district in excess of the revised entitlements are overpayments subject to the refund provisions of 20-9-344(3)."

Section 21. Section 20-9-321, MCA, is amended to read:

"20-9-321. ~~Foundation program~~ Allowable cost amount and contingency funds for special education. (1) For the purpose of establishing the ~~foundation program~~ allowable cost amount for a current year special education program for a school district, the superintendent of public instruction shall determine the total estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program:

(a) the estimated allowable costs associated with operating the program where allowable costs are as defined

in 20-7-431;

(b) the number of pupils expected to be enrolled in the program; and

(c) any other data required by the superintendent of public instruction for budget justification purposes and to administer the provisions of ~~20-9-315 through 20-9-321~~ this section.

(2) The total amount of allowable costs approved by the superintendent of public instruction is the special education ~~foundation program~~ allowable cost amount for current year special education program purposes. ~~The total amount of allowable costs that are approved for the special education budget may not, under any condition, be less than the foundation program amount for one regular ANB for each full-time special pupil in the school district.~~

(3) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in subsection (4).

(4) If a special education program is implemented or expanded during a given school term too late to be included

in the determination of the district ~~foundation--program~~ general fund budget for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the ~~foundation-program~~ allowable cost amount for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.

(5) (a) The special education contingency funds in subsection (4):

(i) are biennially appropriated;

(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and

(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.

(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.

(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the ~~foundation--program~~ allowable cost amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.

(7) The ~~foundation--program~~ allowable cost amount for special education must be added to the ~~foundation--program~~ general fund budget amount ~~of--the--regular--program-AND defined-in-20-9-311-and-20-9-313~~ calculated for the district under the provisions of [sections 2 and 3] to obtain the total ~~foundation-program~~ general fund budget amount for the district."

Section 22. Section 20-9-343, MCA, is amended to read:

"**20-9-343. (Temporary) Definition of and revenue for state equalization aid.** (1) As used in this title, the term "state equalization aid" means the money deposited in the

state special revenue fund as required in this section plus any legislative appropriation of money from other sources for:

(a) distribution to the public schools for the payment of guaranteed tax base aid and for equalization of the foundation program;

(b) the Montana educational telecommunications network as provided in 20-32-101; and

(c) filing fees for school district audits as required by 2-7-514(2).

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid, as required by subsections (1)(a) and (1)(b), throughout the biennium.

(3) The following must be paid into the state special revenue fund for state equalization aid to public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral

royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L. 1991.)

20-9-343. (Effective July 1, 1993) Definition of and

revenue for state equalization aid account. (1) As used in this title, the term "state equalization aid account" means the **money--deposited** account in the state special revenue fund that receives revenue as required in this section plus any legislative appropriation of money from other sources for distribution to the public schools for the purposes of payment of ~~guaranteed-tax-base-aid-and-equalization-of-the foundation--program~~ state equalization aid and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend funds appropriated ~~for~~ from the state equalization aid account as required for the purposes of ~~guaranteed-tax-base aid, the foundation~~ state equalization aid for the BASE funding program, and the Montana educational telecommunications network, throughout the biennium.

(3) The following must be paid into the ~~state--special revenue--fund--for~~ state equalization aid ~~to~~ account for the public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the

collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding

biennium."

Section 23. Section 20-9-344, MCA, is amended to read:

"~~20-9-344. Purpose of state equalization aid and duties~~ Duties of board of public education for distribution of state equalization aid. ~~(1) The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation, and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the state equalization aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of state equalization aid and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and

trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the state equalization aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of state equalization aid, the board of public education may not increase or decrease the state equalization aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of state equalization aid or order the county superintendent of schools to withhold county equalization money from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of state equalization aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more state equalization aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation-program-payment-and--guaranteed--tax--base~~ state equalization aid payment must be distributed according to the following schedule:

(a) from August to May of the school fiscal year, 8% of the ~~foundation--program--payment~~ state equalization aid amount, excluding any guaranteed tax base aid, to each district;

(b) in November of the school fiscal year, one-half of the guaranteed tax base aid payment to each district or county;

(c) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district or county; and

(d) in June of:

~~(i)--the--1993--school--fiscal--year,--one-half--of--the remaining-foundation-program-payment-of-each-district-and-on duly--15,--1993,--the--remaining--school--fiscal--year--1993 foundation-program-payment-of-each-district;-and~~

~~(ii)~~ the school fiscal year, the remaining ~~foundation program~~ payment to each district of state equalization aid, excluding any guaranteed tax base aid.

~~(7)~~(6) The distribution ~~of-foundation-program--payments and--guaranteed--tax-base-aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

Section 24. Section 20-9-347, MCA, is amended to read:

"20-9-347. Formula for state equalization aid apportionment in support of ~~foundation~~ BASE funding program -- exceptions. (1) The superintendent of public instruction shall apportion the state equalization aid available for support of the ~~foundation~~ BASE funding program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:

(a) Determine the percentage that the total funds available to all counties in the state in support of the ~~foundation~~ BASE funding program (including the state money available for state equalization aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all counties.

(b) Determine the percentage that the total funds available in each county in support of the ~~foundation~~ BASE funding programs in the county (excluding state money available for state equalization aid in support of the

~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all districts of the county.

(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the ~~foundation~~ BASE funding program.

(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the ~~foundation~~ BASE funding program (including the state money available for state equalization aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all remaining counties.

(e) Each district of each remaining county is entitled to an apportionment of the state equalization aid in support of the ~~foundation~~ BASE funding program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the ~~foundation~~ BASE funding program amount for the district.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county

superintendent with a report of the apportionments of state equalization aid in support of the ~~foundation~~ BASE funding program of each district of the county, and the state equalization aid in support of the ~~foundation~~ BASE funding program must be apportioned to the districts in accordance with the report;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ state equalization aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212(9).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county

treasurer shall confirm the anticipated deficit. ~~Nothing--in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for state and county equalization aid."

Section 25. Section 20-9-351, MCA, is amended to read:

"20-9-351. Funding of deficiency in state equalization aid. If the money available for state equalization aid is not the result of a reduction in spending under 17-7-140 and is not sufficient to provide the ~~foundation-program-schedule support--determined--in-20-9-348-and-the-guaranteed-tax-base aid--required--under---20-9-366---through---20-9-369~~ state equalization aid support determined under 20-9-347, the superintendent of public instruction shall request the budget director to submit a request for a supplemental appropriation in the second year of the biennium that is sufficient to complete the funding of ~~guaranteed--tax--base aid--and--the--foundation--programs--of--the--elementary--or secondary--schools,--or-both,~~ state equalization aid for the elementary and high school districts for the current biennium."

Section 26. Section 20-9-353, MCA, is amended to read:

"20-9-353. Additional levy for general fund -- election for authorization to impose. (1) Except as limited by ~~20-9-315(2)~~ [section 3], the trustees of a district may propose to adopt a general fund budget in excess of the

~~foundation-program-and-the-permissive~~ maximum general fund budget amount for the district ~~for-any-of-the-following purposes:~~

~~(a)--building,-altering,--repairing,--or--enlarging--any schoolhouse-of-the-district;~~

~~(b)--furnishing--additional--school--facilities--for-the district;~~

~~(c)--acquisition-of-land-for-the-district;~~

~~(d)--proper-maintenance--and--operation--of--the--school programs-of-the-district;-or~~

~~(e)--severance-pay-for-district-employees.~~

(2) When the trustees of a district determine that an additional amount of financing is required for the general fund budget that is in excess of the ~~statutory-schedule amount--and--the--permissive~~ maximum general fund budget amount, the trustees shall submit the proposition of an additional levy to raise the excess amount of general fund financing to the electors who are qualified under 20-20-301 to vote upon the proposition, ~~except-that-an-election-is-not required--to--permit--the--school--trustees-to-use-any-funds available-to-finance-the-additional-amount-other-than--those funds--to--be--raised--by--the--additional-levy~~. The special election must be called and conducted in the manner prescribed by this title for school elections. The ballot for the election must state only the amount of money to be

raised by additional property taxation, the approximate number of mills required to raise the money, and the purpose for which the money will be expended. The ballot must be in the following format:

PROPOSITION

Shall a levy be made in addition to the levies authorized by law in the number of mills as may be necessary to raise the sum of (state the amount to be raised by additional tax levy), and being approximately (give number) mills, for the purpose of (insert the purpose for which the additional tax levy is made)?

☐ FOR the levy.

☐ AGAINST the levy.

(3) If the election on any additional levy for the general fund is approved by a majority vote of the electors voting at the election, the proposition carries and the trustees may use any portion or all of the authorized amount in adopting the preliminary general fund budget. The trustees shall certify the additional levy amount authorized by the special election on the budget form that is submitted to the county superintendent, and the county commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the district, as prescribed in 20-9-141, to raise the amount of the additional levy.

(4) Authorization to levy an additional tax under the provisions of this section is effective for only 1 school fiscal year and must be authorized by a special election conducted before August 1 of the school fiscal year for which it is effective."

Section 27. Section 20-9-366, MCA, is amended to read:

"**20-9-366. Definitions.** As used in 20-9-366 through 20-9-369, the following definitions apply:

(1) "County retirement ~~mill~~ taxable value per elementary ANB" or "county retirement ~~mill~~ taxable value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year ~~foundation-program~~ total per-ANB entitlement amounts.

(2) "District ~~mill~~ taxable value per ANB" means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation--program~~ total per-ANB entitlement amount.

(3) ~~"Permissive---amount"---means--that--portion--of--a district's-general-fund-budget-in-excess-of--the--foundation~~

~~program--amount--for--the--district,-as-provided-in-20-9-316 through-20-9-321,-but-not-exceeding-35%--of--the--district's foundation--program--amount,--and-which-excess-is-authorized under-the-provisions-of-20-9-145-and-20-9-353.~~

~~(4)~~ (a) "Statewide ~~mill~~ taxable value per elementary ANB" or "statewide ~~mill~~ taxable value per high school ANB", for ~~permissive-and~~ retirement guaranteed tax base purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation-program~~ total per-ANB entitlement amounts.

(b) Statewide taxable value per elementary ANB or statewide taxable value per high school ANB, for guaranteed tax base funding for the BASE budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 236% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year total per-ANB entitlement amounts."

Section 28. Section 20-9-367, MCA, is amended to read:

"20-9-367. Eligibility to receive guaranteed tax base aid. (1) If the district ~~mill~~ taxable value per ANB of any elementary or high school district is less than the corresponding statewide ~~district--mill~~ taxable value per elementary ANB or high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in the district in support of ~~its-permissive-amount-of-the~~ up to 35% of the basic entitlement and up to 35% of the total per-ANB entitlement budgeted within the general fund budget.

(2) If the county retirement ~~mill~~ taxable value per elementary ANB or county retirement ~~mill~~ taxable value per high school ANB is less than the corresponding statewide ~~county--mill~~ taxable value per elementary ANB or high school ANB, the county may receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county."

Section 29. Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid -- reversion. (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county ~~mill~~ taxable value per elementary ANB and the statewide ~~county-mill~~ taxable value

per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county ~~mill~~ taxable value per high school ANB and the statewide ~~county-mill~~ taxable value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.

(3) The amount of guaranteed tax base aid per ANB that a district may receive in support of ~~its-permissive-amount of-the~~ up to 35% of the basic entitlement and up to 35% of the total per-ANB entitlement budgeted within the general fund budget is the difference between the district ~~mill~~ taxable value per ANB and the corresponding statewide ~~district--mill~~ taxable value per ANB, multiplied by the number of mills levied in support of the district's ~~permissive-amount-of-the~~ general fund budget.

(4) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the

amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended. If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

NEW SECTION. **Section 30.** **Repealer.** Sections 20-9-145, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, 20-9-322, and 20-9-348, MCA, and section 12, Chapter 6, Special Laws of July 1992, are repealed.

NEW SECTION. **Section 31.** **Name change -- short form amendment.** (1) Wherever it appears in 17-7-140, 20-2-115, 20-6-166, 20-9-116, 20-9-212, 20-9-331, 20-9-333, 90-6-309, and 90-6-403 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to school funding, to "BASE funding program".

(2) Wherever it appears in 20-7-414, 20-7-431, and 20-7-435 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to funding for special education, to "allowable cost".

NEW SECTION. **Section 32.** **Codification instruction.** [Sections 1 through 3] are intended to be codified as an integral part of Title 20, chapter 9, part 3, and the provisions of Title 20 apply to [sections 1 through 3].

NEW SECTION. **Section 33.** **Effective date.** [This act] is effective July 1, 1993.

-End-

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FUNDING

Call to Order: By **CHAIRMAN JOHN COBB**, on March 9, 1993, at 3:00 p.m.

ROLL CALL

Members Present:
Rep. John Cobb, Chairman (R)
Rep. Ray Peck, Vice Chairman (D)
Rep. Bill Boharski (R)
Rep. Russell Fagg (R)
Rep. Mike Kadas (D)
Rep. Angela Russell (D)
Rep. Dick Simpkins (R)
Rep. Dave Wanzenried (D)

Members Excused: None

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council
Eddye McClure, Legislative Council
Dori Nielson, Office of Public Instruction
Evy Hendrickson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: **HB 667**
Executive Action: None

CHAIRMAN JOHN COBB outlined the committee's agenda for the next week.

Jim Gillett, Legislative Auditor's Office, addressed the committee concerning a memorandum he had prepared summarizing the action of the select committee at its March 4 meeting on the school funding equalization model. **EXHIBITS 1 and 2**

REP. KADAS said he had several points regarding some of the assumptions and one proposal for an amendment to the bill that he wanted to discuss with the committee.

Assumption #1
REP. KADAS noted that currently on mandated budget growth below

80%, districts are scheduled to grow 20% per year closer to the minimum. Staff members from the Office of Public Instruction had pointed out to him that that probably won't be the case, considering experience with the 135% permissive where almost every district went to the 135%. A more appropriate assumption would be that everyone will go to 80%. **Mr. Gillett** agreed that that change in assumptions would provide the maximum state exposure figure. He said he would come back to the committee with that change and what would have to be done to the payment factors to keep the proposal revenue neutral.

REP. SIMPKINS suggested setting both a minimum and a maximum amount, e.g., 20% minimum, 30% maximum, that a district could go up in one year; otherwise, it will be an uncontrollable factor and an astronomical number. **REP. BOHARSKI** suggested an alternative of a 4% growth limit; if the 20% growth is more than 4%, then the district can only go up 20%. **Mr. Gillett** said they would prepare models for the committee to look at: 20% or 104%, whichever is greater.

Assumption #2

The next assumption that **REP. KADAS** wanted to change was the 104%. Having been struck by the difference between general fund amounts and expenditures and actual expenditures, he believes the plan should be built on actual expenditures. Because those numbers are a year behind that being budgeted for (e.g., while budgeting for FY94, actual expenditures for FY93 aren't available so that districts would have to use FY92. His proposal is to take the previous year's actual expenditures (FY92 for FY94) times 108% because of that two-year difference. Including the ANB calculation the same way will respond to the problem faced by districts experiencing rapid growth.

Scott Seacat, Legislative Auditor, stated that, following that logic, it won't be 108%; it would be 108.16% because the 4% has to be inflated another 4%. **REP. KADAS** said that districts could live with that minor cut of .16%.

Assumption #3

REP. KADAS said that, if the legislature is going to change to expenditures, a different data set will have to be used rather than budgeted amounts. **Mr. Gillett** said that process will be easier or more difficult depending on how school districts collect and spend those funds.

REP. BOHARSKI indicated he had two problems with **REP. KADAS's** issues. First, under current law, a district, to the extent possible, will identify PL 874 leftover revenue as excess reserves as long as they have PL 874 receipts because then it doesn't have to be reappropriated to reduce mills or GTB ubsidies; this way there won't be any way of knowing how that affects expenditures. The other concern is that if the equalization program is tied to expenditures, districts will expend all their budgets by the end of the year; this could

exacerbate the game-playing.

REP. KADAS said he understood **REP. BOHARSKI's** concern but felt the accurate picture of what districts are doing would be worth that risk.

Jim Gillett said that prudent managers don't ever plan to spend 100% of their budgets. When the 108% is computed, that should be taken into account. The prudent manager would probably leave 1% or 2% each year for emergencies. They will do some figures on that, too.

REP. KADAS asked for clarification on how special education will be handled under the proposal. **Mr. Gillett** responded that from the outset in modeling the system the notion has been to omit the special education and then add allowable costs back in. **REP. KADAS** asked whether a district with a lot of special ed costs gets any additional spending authority because of that significant bulge of allowable costs versus a district of the same size that doesn't have all the special ed children. **Mr. Gillett** said that two things mitigate that: the budget growth allowed and counting special ed ANB.

REP. KADAS wondered whether the committee couldn't include something for special ed. on the order of the current system of calculating 135% on the foundation program including special ed. **Mr. Gillett** said it was possible and that he was reviewing **SEN. HALLIGAN's** bill which could have just this effect. A portion of that is accomplished by including special ANB with regular ANB.

Dori Nielson, OPI, said that, in order to accomplish that, the committee may need to do some more assumptions about shifts in money. District expenditures are very different from one district to another, and special ed. costs could end up generating GTB contributions.

CHAIRMAN COBB cautioned the committee that, since action will be taken on this bill on Thursday, members should be careful about making major changes without knowing the effect that those changes will have on schools.

Ms. Nielson said that a minor change could address the issues raised, but assumptions need to be agreed on and figures run to assist the committee in making a simple amendment in the bill. **Mr. Gillett** agreed with that.

REP. KADAS, noting that special education has to be equalized, said he is concerned that a district with a lot of special ed students will be considerably lower in average dollars per student than a district the same size that doesn't have a great many special ed students.

Ms. Nielson said that she will have a brief explanation at the next meeting of how this can be addressed.

Mr. Gillett said that he had been working with **Dr. Jack Gilchrist** about the 2500 ANB stop-loss on the per student reduction factor. They both believe that 1500 is a more appropriate number than 2500 for equalizing the higher ANB-range schools. This raises state costs about $5 million.

REP. KADAS addressed an amendment he is drafting on non-levy revenue. He said there are five different kinds of non-levy revenue: local government severance tax ($6.7 million), motor vehicle fees ($5.7 million), financial institutions tax of corporate license tax ($770,000), net proceeds tax ($362,000), and coal gross proceeds ($1.9 million) for a total of $15.5 million. These have a large impacts on individual districts' wealth, particularly the resource taxes. That is one of the fundamental problems, and he would like to take that wealth away from them. The amendment would take wealth away from urban districts with the motor vehicle tax and the bank tax in hopes of equalizing further. All that will go into the state equalization aid account (SEA) to provide extra funding. He will have a plan for this on Thursday.

CHAIRMAN COBB then opened the floor for public comment.

Kathy Fabiano, Office of Public Instruction, discussed problems that OPI would face to implement this law by July 1, 1993. She said several things would help them in this effort: They will have to implement the bill and interpret the statutes without written rules since even emergency rules take 30 days notice. OPI will need authority to make payments made from August through whenever budgets are processed based on an estimate. They would like as much time as possible by requiring that counties: take the money electronically or through STIP, transmit data electronically from districts to OPI; and hold down budget amendments by changing the way ANB is calculated (from spring enrollment of two years prior and the fall enrollment of the immediately prior year) to perhaps averaging two enrollment counts.

Ms. Fabiano said OPI would have to have time to re-do forms, reprogram the computer edits on those forms, reprogram the system that calculates district monthly payments, and calculate and communicate to districts what their minimum and maximum budgets are.

Ms. Fabiano asked the committee to take the attractive parts of the bill -- the minimum/maximum budgets, the increase of equalization dollars by shifting more of them to ANB, locking in the amount of money the state pays to schools, and reducing the spending disparities to districts -- and incorporate them into the current system rather than starting over with a whole new set of terminologies and calculations. She indicated that districts are still having problems with HB 28.

She said that OPI is down 5% in personal services, and she would

not guarantee that the office could administer this bill correctly with less staff than she had before. Either she needs more money for staff in the bill for administration or she needs current level returned.

REP. SIMPKINS chaired the committee from this point.

Ms. Fabiano addressed PL 874 funds because it is not addressed in the bill at all. The bill requires that districts use their federal impact aid in the 80% area, the area subsidized by state aid. According to the most recent letter from the U.S. Department of Education, districts cannot be required nor can they choose to use PL 874 in an area that reduces their state aid. If the bill will go into effect in FY94, OPI needs amendments that clarify that PL 874 may not be used to reduce the district's levy within the 80% area. The bill needs to provide that PL 874 money be budgeted either in a separate fund or over and above the 80% area so that it does not reduce the district's entitlement to state aid.

REP. BOHARSKI asked that an amendment be drafted similar to the one for his bill, HB 459, that clearly forbids a district from using PL 874 in any way if it results in reduction of state aid. **Ms. Fabiano** said that OPI is appealing that decision from the U.S. Office of Education; if that appeal is successful, this amendment will not be necessary.

Madalyn Quinlan, Office of Public Instruction, talked about the problem of non-levy revenue which is not addressed in the model. A district that has access to local government severance taxes, coal board proceed taxes or motor vehicle taxes may be able to fully fund their portions of the base entitlement and the base per pupil amount without any mill levies. That is a taxpayer equity issue the committee should address. One option is using non-levy revenue to fund the "above the minimum but below the maximum" amount with the state recapturing any amount above that. She noted that **REP. KADAS** is also drafting an amendment to deal with non-levy revenue to be the first source of funding for the state share; while this could work, it is cumbersome and there may be some questions about this money which is allocated for district purposes being used for state purposes.

Ms. Quinlan suggested that, if the committee goes ahead with that proposal -- using non-levy revenue attributable to district general fund mills to fund the state direct aid -- a system be set up similar to HB 62 of the July 1992 Special Session in that the money is collected at the county level and sent to the state so that the district doesn't receive the money and get confused about how much has to come back to the state and how much is theirs to work with.

She added that there will be some shift in non-levy revenue among other taxing jurisdictions. For example, the motor vehicle fees are distributed among all taxing units -- county government, city

government, school districts -- and if these districts no longer have access to non-levy revenue, their mill levies will go up and it will shift away from the county and city governments to the school districts and then to the state.

Ms. Quinlan said there are two cases where there will be a lot of non-levy revenue: one is those districts that have oil, gas and coal production and consistently have access to that money; the other is protested taxes or a tax audit where for one or two years a district would have more revenue. She said that districts can either use the protested taxes money to lower their mill levies or they can put it in excess reserves. At any time they can pull those out and have an amount of money in excess of what they need to fund their budget.

Asked for her recommendation on how to handle non-levy revenue, **Ms. Quinlan** noted two options: One is to use it to fund the non-subsidized area and to recapture any amount over that. The second would be to do what **REP. KADAS** is proposing which would be to use it in the state equalization aid account.

Mr. Gillett said that in the current model the non-revenue money is used first to reduce the subsidized levies; then to reduce the unsubsidized levies, either in the 80-100% range or between the minimum and the maximum; then to reduce the mill requirement for any over maximum budget in high spending districts.

REP. BOHARSKI asked, if the committee goes for recapture of the non-levy money, what kind of impact it would have on OPI. **Kathy Fabiano** responded that any time a policy is changed, there's a snowballing effect.

Loran Frazier, School Administrators of Montana, said that **Dr. Ernie Jean** had submitted written comments the previous day. He said that several superintendents have said they would like the bill effective on passage and signature which would give the schools a little more planning time.

Tom Bilodeau, MEA, outlined MEA's position, particularly if this will be implemented July 1, that there ought to be an allowance for districts to maintain current budget level. Personnel contracts will be in place, and assumptions will have been made about budget levels for the coming year. That should be done by permissive authority to the boards.

Mr. Frazier also indicated that, especially for those districts above the maximum, having levies permissive to start with would give them an opportunity to establish the levy in the following year.

Mr. Frazier said that, since the retirement issue is addressed partially in the bill, if GTB is granted at 242% of the state average taxable valuation, maybe the retirement GTB aid should also be at 242%.

Mr. William Nachatilo, Superintendent of Schools, Butte, said his district will see a reduction in the elementary and high school budgets more than any other district in the state. Because of historical budget patterns, the Butte district will drop to the 98th percentile for the next five years. They are afraid they will be placed in the position where trying to pass any type of voted levy will become almost impossible and they will have to make serious cuts over an extended period of time.

Tape 2, Side 1

In a positive response to a suggested amendment on permissive levies in the first couple of years and on phasing in the cuts, **Jim Gillett** said that the legislature will most likely increase the minimumbudget level upward over the years which will cause the maximum level to move up towards the current high spenders. He said that many districts are experiencing enrollment increases which also causes a district to move towards the current spending limit.

Mr. Bruce Moerer, Montana School Boards Association, suggested that the committee consider a three-year rolling average for ANB count. That would mitigate the serious declines in enrollment and allow some planning time.

Mr. Gillett said that the 2% spend-down provision for high spending districts was attached as a permanent part of the law so that if districts found themselves in a declining enrollment situation in future years, they wouldn't have to come down the entire amount to maximum in one year.

Mr. Don Waldron, lobbyist for the Montana Rural Education Association, said that, although his organization is interested in this system, they do not feel the proposal answers the problems raised in their lawsuit concerning funding of large schools versus small schools.

Members of the audience discussed the quandary that schools are finding themselves in concerning April levy elections. Trustee elections have to be held in April, and every election costs a certain amount of money. Districts are wondering whether to run both elections together.

ADJOURNMENT

Adjournment: 5:00 p.m.

REP. JOHN COBB, Chairman

Evy Hendrickson, Secretary

JC/eh

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
SELECT COMMITEE ON SCHOOL FUNDING

ROLL CALL

DATE 3-9-93

NAME	PRESENT	ABSENT	EXCUSED
JOHN COBB, CHAIRMAN	✓		
RAY PECK, VICE CHAIRMAN	✓		
BILL BOHARSKI	✓		
RUSSELL FAGG	✓		
MIKE KADAS	✓		
ANGELA RUSSELL	✓		
DICK SIMPKINS	✓		
DAVE WANZENRIED	✓		

HR:1993
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CS-09

EXHIBIT 1
DATE 2-9-93
HB 667

MEMORANDUM

To: Representative John Cobb
Representative Ray Peck

From: Jim Gillett

Date: March 8, 1993

Re: House Select Committee on Education Funding

Representative Cobb has asked that I prepare a memo summarizing the results of the actions taken by the select committee at its meeting on March 4, 1993 as they relate to the select committee's school funding equalization model. The substantive decisions are discussed below:

1. The committee approved a motion to alter the original decision regarding budget growth limitations for districts between the minimum and maximum budget levels. The committee decided to limit growth to the greater of 104% of the prior year's budget or 104% of the prior year's "budget per ANB". In no case can budget increase cause the district to exceed the maximum level.

   Mandated budget growth requirements for school districts spending below the minimum level were not changed. These districts' budget growth was not limited until their budgets reach or exceed the minimum level.

   Budget reduction requirements for school districts spending above the maximum budget level were not changed.

2. The committee approved a motion to include special education ANB which are currently not in the regular education ANB in the model. The committee also requested that the payment factors in the model be adjusted to maintain the "state cost neutral" status of the bill. The new payment factors are:

State support percentage - base	from 50% to 45%
Guarantee percentage - base	from 30% to 35%
Mill guarantee percentage of current guaranteed value	from 200% to 195%

3. The committee requested that OPI and the school district representatives present at the meeting determine "what it would take" to implement a plan such as this on July 1, 1993 and what the issues that need to be addressed are.

EXHIBIT 2
DATE 3-9-93
HB 646

MEMORANDUM

To: Representative John Cobb, Chairman
Representative Ray Peck, Vice-Chairman
House Select Committee on Education

From: Jim Gillett
Legislative Auditor's Office

Date: February 16, 1993

Re: Decisions that need to be considered when considering school funding equalization model presented to your committee on February 9, 1993

1. What should each school district's "base entitlement" be?
Elementary?
High School?

ANSWER: **Elementary 18,000**
High School 200,000

Should an inflation index be included in the law for this entitlement?

ANSWER: **NO**

2. What should the "per student allocation" be?
Elementary?
High School?

ANSWER: **Elementary 3,500**
High School 4,900

Should an inflation index be included in the law for this allocation?

ANSWER: **NO**

3. What should the "per student reduction" factor be?
Elementary?
High School?

ANSWER: **Elementary 20 cents**
High School 50 cents

Should the per student reduction factor no longer be applied after a selected level of ANB is reached?

ANSWER: 2500 High School & Elementary

4. What percentage of the "base entitlement" should the state support with direct payments to school districts?

ANSWER: 50%

5. What percentage of the "base entitlement" should the state support through guaranteed tax base (GTB) aid?

ANSWER: 30%

6. What percentage of the "base entitlement" should the district be required to pay with local money not subsidized by the state?

ANSWER: 20%

7. What percentage of the "per student allocation" should the state support with direct payments to school districts?

ANSWER: 45%

8. What percentage of the "per student allocation" should the state support through guaranteed tax base aid?

ANSWER: 35%

9. What percentage of the "per student allocation" should the school district be required to pay with local money not subsidized by the state?

ANSWER: 20%

10. To what level should the GTB mills be subsidized?

ANSWER: 200% of the current level

11. How long a period will school districts budgeting less than their "mandatory general fund budget" be given to bring their budgets up to the mandatory level?

ANSWER: 5 years

Should this increase be applied to per pupil budgets or total budgets?

ANSWER: Per ANB

12. At what rate should school districts budgeting above their "maximum general fund budget" be required to reduce their budgets to the maximum level?

ANSWER: 2% per year

Should this rate be applied to per pupil budgets or total budgets?

ANSWER: Per ANB

13. What limitation, if any, should the legislature place on the annual budget increases of school districts which are currently spending between the "mandatory" and "maximum" budget levels?

ANSWER: None

Should this rate be applied to per pupil budget or total budget?

ANSWER: N/A

Should this factor be linked to an inflation index of some kind?

ANSWER: N/A

14. Will school districts spending above the maximum level be required to vote any budget amount which is above the maximum budget?

ANSWER: Yes

Will this vote, if required, be combined with the vote, if any, resulting from question 15?

ANSWER: N/A

15. Will school districts spending between their mandatory and maximum budget levels be required to vote all or part of their budget amount which is between those levels or should that budget amount be adopted at the discretion of the district trustees?

ANSWER: No

Will this vote, if required, be combined with the vote, if any, resulting from question 14?

ANSWER: N/A

EXHIBIT 2
DATE 3-9-93
HB 667

16. Should school districts with multiple schools be allowed additional "base entitlement" amounts for each additional school?

ANSWER: No

If so, what should the dollar amount of these entitlements be?

ANSWER: N/A

Should the additional entitlements be for each school or for a selected number of ANB?

ANSWER: N/A

17. How, if at all, should P.L. 81-874 impact aid funds be considered in the funding mechanism?

ANSWER: No

18. At what location in the funding mechanism should "non-levy" revenue be considered?

ANSWER: GTB mills level

19. In order to help with the wealth neutrality of the system, should all or a portion of the unsubsidized portion of the budgets be supported with GTB aid?

ANSWER: No

If so, at what level should the mills be guaranteed?

ANSWER: N/A

20. Should their be a mechanism to phase in the effects of budget reductions resulting from decreases in enrollment?

ANSWER: No

JHG/j/i8.mem

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

School Funding COMMITTEE BILL NO. HB 667

DATE 3-9-93 SPONSOR(S)

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
CAL SPANGLER SHEPHERD, MT 59079	SHEPHERD PUBLIC SCHOOLS		
Rick Ashworth Box 48 Dutton	Dutton Schools		

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FUNDING

Call to Order: By **CHAIRMAN JOHN COBB**, on March 11, 1993, at 3:10 p.m.

ROLL CALL

Members Present:
Rep. John Cobb, Chairman (R)
Rep. Ray Peck, Vice Chairman (D)
Rep. Bill Boharski (R)
Rep. Russell Fagg (R)
Rep. Mike Kadas (D)
Rep. Angela Russell (D)
Rep. Dick Simpkins (R)
Rep. Dave Wanzenried (D)

Members Excused: Rep. Peck
Rep. Wanzenried

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council
Eddye McClure, Legislative Council
Dori Nielson, Office of Public Instruction
Evy Hendrickson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: **HB 665, HB 667**
Executive Action: None

REP. DICK SIMPKINS opened for **CHAIRMAN COBB** who was in the Appropriations Committee.

HEARING ON HB 665

Opening Statement by Sponsor:

REP. MIKE KADAS, House District 55, Missoula, informed the committee that HB 665 was a compromise package developed last session over issues of uses and fees for State lands.

The $200,000 study was funded and performed by private contract in a non-biased manner. **REP. KADAS** said the people on the

REP. SIMPKINS asked **Dennis Casey, former Commissioner of State Lands**, if it would be easier to handle state land leases on a cash basis rather than a crop share basis. **Mr. Casey** replied that, from a management position, he felt the cash lease program would be easier for the department to manage. He said the revenue may not be any more than what is already coming in.

REP. GRINDE asked **Jeff Hagener, Administrator of Land Administration Division, Department of State Lands**, in regard to the bill on page 4, lines 3 and 4, where it states "one-third of the crop," how the crop share is determined and by whom. **Mr. Hagener** said one-quarter has been the standard for a long time. Studies have been done and the statistics of an area are used for that community. **Mr. Hagener** said they do not have the staff to go out and collect the data and thought the department would go back to the one-third minimum.

Closing by Sponsor:

REP. KADAS closed, reminding about the cost of the study. The individuals who wanted the study are opposing the bill in the hearing today. He said the bill may not be perfect, but it is close. He said it should be passed; maybe it will bring everyone back to the table to discuss the issues and resolve them with some kind of a compromise.

HEARING ON HB 667

Opening Statement by Sponsor:

REP. SIMPKINS said HB 667 has been officially introduced as a committee bill. He said this committee is not charged with coming up with budget cuts. This is a state cost neutral bill that will produce the best results. The House Education Committee will make those political determinations.

REP. BOHARSKI asked that anyone testifying on this bill not comment in any way about cuts. He said that, if the committee passes the bill out, it will be a state cost neutral plan.

REP. KADAS said he was interested in hearing what people have to say about this bill in general. Since HB 667 will go to the Education Committee where they will try to take $18 million out of it, he is interested in hearing whether people feel this bill is okay or if they have better ideas.

REP. SIMPKINS said that the committee is going to work on the amendments and make decisions on a revenue neutral basis.

Proponents' Testimony:

Dr. Ernie Jean, Superintendent of Florence-Carlton Schools, and representing Montana Association of School Superintendents, said that schools support the concept of equalizing. He offered suggestions in regard to some concerns that the schools have: 1) the effective date; 2) the cap on the ANB; 3) caps on growth; 4) limitations on districts that exceed the maximum budget limit in terms of a budget roll-back or freeze; and 5) the legislature rolling back funding so that schools have to go before the voters for more funding. He said when HB 28 was implemented, only 60 percent of the schools went to their full budget cap of 104 percent or 135 percent. He said they support the bill with the amendments.

Tom Bilodeau, Montana Education Association Research Director, said that MEA views HB 667 as a workable model. He distributed information on HB 667 and other legislation that is critical, i.e., SB 32 on capital costs. **EXHIBIT 7**

He felt there are some adjustments to the bill as it currently stands. He said **REP. FAGG** would offer an amendment to provide a permissive vote on budgets for the first year or two, then requiring elections. He said it is necessary to phase the caps in over a period of time, rather than at one time, because it would be too difficult for a lot of the schools to make a budget reduction at one time.

He said the most important issue in HB 667 was whether to garget maximum budgets off expenditures or budgets. The plan will draw districts back towards a line built off current expenditures, whether they budget in excess of what they spend or spend every nickel. Over a period of time the districts will be brought back into line irrespective of the current budget levels.

He said he hoped that the committee would concur on leaving the 80 to 100 percent permissive area alone to allow districts to make choices at the local level.

Pat Melby, representing the Underfunded Schools Coalition, said that the coalition represents the plaintiffs in the school equalization lawsuits. He concurs and supports the comments made by **Mr. Bilodeau** on behalf of the MEA. **Mr. Melby** said the coalition supports HB 667 with qualified support because of the following: 1) technical amendments may be needed to make this a better bill; 2) it is a major change to the way schools have been funded in the past; and 3) HB 667 deals only with the general fund. He said all funds need to be considered in the system, i.e., retirement, transportation, special education, and especially capital outlay.

He said the main reason they have qualified their support for HB 667 is that it may not solve the problems that he believes resulted in the equalization lawsuit in the first place -- the continued over-reliance on local levies. He alluded to the fact that a lot of money may be taken out of the bill next Monday by

the House Education Committee. He said this will make it easier for future legislatures to change the state support percentage, keep the school funding at the same level and require the districts that want to maintain their current funding level to backfill the lost state revenues with local mill levies.

He cautioned the legislators not to marry themselves too tightly to the federal PL 874 test requiring a 1.25 ratio between high and low spenders. He said it is correct that the Supreme Court decision alluded to that ratio and suggested that it might be something that the legislature would want to look at but, **Mr. Melby** said the Supreme Court did not adopt that test to determine equalization. It did look at the difference in per-pupil spending and concluded that the difference was too great. The disparity in the per pupil spending in the various districts was enough to provide for a disequalized school funding system.

He referred to comments made by **Mr. Goetz** and **Dr. Gilchrist** in previous committee hearings, who said the real issue is not the ratios, but the difference in per-pupil spending. The more schools have to rely on local levies, the more school funding is pushed back onto the local school districts. There will be a lot of districts at the 80% minimum level; those that can afford it, will go to the 100% level. He said there could be a successful equalization challenge based on the constitution even though on paper it shows that funding at 1.25 percent has met the PL 874 test.

Larry Fasbender, representing the Great Falls School District, reiterated the comments of **Mr. Bilodeau** and **Mr. Melby.** Placing the cut-off for reducing the per-ANB entitlement for high schools at 1,500 would cut some of the state cost and will still help the larger high schools.

He said that HB 667 is flexible enough to make equalization work. He felt when all of the amendments are attached, it will be difficult to see if unqualified support should be given.

Bruce Moerer, Montana School Boards Association, said the association supports the concept of HB 667 but **MSBA** is concerned that HB 667 will allow state support of education to erode and be passed back to the local property taxpayers. One of the reasons the association supports HB 667 is they feel it is the lesser of the several evils, i.e., comparing HB 667 to HB 471, a 5% cut in the schedules and what it will do to the local mills.

The association is concerned that special attention should be given to those districts above the maximum cap. It has been suggested that some of the ways to bring them in line is to freeze them for a period of time. **MSBA** is concerned about PL 874 funds which need to be protected, and are opposed to bringing proposed non-levy revenue into the state equalization fund.

Terry Minnow, Montana Federation of Teachers, said the federation

is not really comfortable being registered either as a proponent or opponent. They are concerned with the amendments that haven't come out yet and have always opposed caps as a device for equalizing downward. They realize that the mission of this committee is to equalize without adding state dollars to the formula and that is the reason the caps are proposed. If HB 667 is to be used to cut the state's obligation to fund education, any problems contained in the bill will be magnified. The federation recommends to the committee that they remove the absolute cap on the schools over the maximum, and remove the 4% growth cap on schools with budgets between 80% and 100% of the maximum general fund budget. She urged the committee to concur in HB 667.

Opponents' Testimony:

Bill Nachatilo, Superintendent, Butte School District #1, said he concurs with previous testimony but has mixed emotions on equity. He distributed information on the funding impact that HB 667 will have on the Butte schools. He informed the committee that Anaconda held a school board meeting last night and it appears that they will be laying off 40 teachers. **EXHIBIT 8**

Chip Erdmann, representing Montana Rural Education Association (MREA), said the association joins the proponents regarding their concerns. The association recognizes the effort put forth in this legislation and commented that it is a innovative bill. He said if HB 667 had been out five or six years ago, it would have saved a lot of trouble for the school districts and the state.

Mr. Erdmann noted that MREA is the plaintiff in one of the funding lawsuits. A three-week trial just finished before Judge Sherlock, and will be continued later this month. The two main reasons MREA filed the lawsuit is their concern over the weighting in the foundation program as regards rural schools and the effect of the GTB aid system because it is based on ANB. The lawsuit recognizes that the rural areas do not have the political clout they once had. It was felt that, if there was a court mandate, it would make the legislature aware of the need for educational opportunity in rural areas.

The biggest problem the MREA has with the bill is that it's built from a regression analysis of a funding system that has some constitutional flaws. If that is to be used to set the maximum and minimum budgets, then the legislature will carry into the new system what the MREA saw as flaws in the old system. He said that even the state experts who represented the legislature at the trial testified that the legislature cannot base the distribution system on historical expenditure data. There needs to be a study done on the cost of providing equal education opportunity. He said that was in their litigation, and that is what is lacking in this bill.

The MREA is concerned about the speed with which HB 667 is

proceeding through the legislature. Both of the underfunded plaintiffs and the MREA brought their lawsuit partially in an attempt to figure out what the Montana Constitution means in the education Article X. He said there are possibilities if HB 667 is pushed through with an effective date of July 1, 1993, all of that effort will be in vain, and the district court will not make a decision. He said they will be deprived of the court's directions as to what should happen.

He said he didn't know if the legislature was satisfied with the language in the 1989 Supreme Court decision but it would be nice to receive further judicial determination, especially after all of the money that has been spent to receive more direction in this area. He said it makes more sense, when the case is so close to a judicial decision and with the legislature trying to develop a constitutional system in Montana, to wait until the court speaks.

He said that perhaps this bill will fit that decision. Then the legislature will be making a reasoned decision based on the direction from the judicial branch in regard to what the constitution means.

A lot of effort has gone into this bill; and if the legislature is going to go this far, they should go all the way. The MREA would prefer the legislature not take any action on HB 667 until the court speaks. Given the time lines and the court schedule, there probably won't be a decision until after the legislature adjourns.

Whatever system is developed, the legislature should take a look at the cost of educational opportunities. He said it has been established in the MREA lawsuit that the rural districts are being short-changed in that area. It would be nice if the legislature followed up on it, and actually did a serious inquiry into that area to see what those costs are.

Mr. Erdmann concluded by saying that MREA does have more specific concerns with HB 667, but they will be addressed with a handout by John McNeil, Superintendent of Savage Schools and the chairman of MREA.

John McNeil, Superintendent of Schools in Savage, Chairman of MREA, distributed the handout alluded to by **Chip Erdmann** in regard to the weighting of the foundation schedules. They have attempted to provide the need for additional weightage. He apologized to the committee for the inaccurate charts in the handout. He walked the committee through each page of the handout. **EXHIBIT 9**

Kathy Fabiano, Office of Public Instruction, outlined two reasons that OPI is standing in opposition to HB 667: 1) they have not had the time to analyze the bill in regard to the impact districts; and 2) they feel the bill needs some major amendments.

Their proposed amendments will allow them to implement this bill on July 1, 1993. She addressed her amendments and informed the committee they are the same ones she spoke to last Tuesday in this committee. She distributed and addressed the amendments. **EXHIBITS 10 and 11**

Dori Nielson, Office of Public Instruction, also addressed the amendments and how they will affect HB 667. **EXHIBITS 10 and 11**

CHAIRMAN COBB informed the people attending the hearing that the committee will meet the next day at 10:00 a.m. to discuss the amendments and take executive action on this bill.

Linda Brannon, representing the Montana School Business Officials and the Indian Impact Aid Schools, said HB 667 might be a blessing in disguise but she didn't know how logical and meaningful testimony to the committee can be made when the bill is printed on one day and heard on the next. Her groups are opposing this bill because they have not had time to react in an educated manner. She urged the committee to wait before they do anything on HB 667 so everyone involved could have a better understanding of what is good and what is bad with the bill.

She spoke to the federal impact aid issue and how HB 667 may change the methods and the amounts of money the schools will be receiving, not only from PL 874 dollars, but also Chapters 1 and 2 funding. She specifically requested to be noted on record that they are neither an opponent nor a proponent because of the shortness of time and lack of ability to react.

Rod Svee, Superintendent of the Hardin Public Schools, said as a school administrator he opposes HB 667. Two areas will have an impact on his district. The change in the bill on page 36, lines 19 and 20, takes the non-levy revenue in those two sources and will force it to be equalized within the 80% level. He said if the legislature impacts their coal tax with this bill, he assumed it will also impact the schools receiving LGST (local government severance taxes) in the same manner.

Two sessions ago when the legislature went to a flat tax on coal, it took that funding out of the local taxable value. Now if it must be used to equalize only the 80% level it will also impact the smaller poor districts. He said the GTB aid should be weighted for the smaller schools.

Informational Testimony:

The amendments referred to on HB 667 were conceptual amendments. **Andrea Merrill, Legislative Council,** distributed the actual amendments for executive action on March 12, 1993. **SEE EXHIBITS 1, 2, 4 and 5 dated 3/12.**

Questions From Committee Members and Responses:

REP. KADAS asked **Rod Svee** how many mills were levied in his district. **Mr. Svee** said the number of mills they are levying are ridiculously low in comparison to the rest of the state. Two years ago, his district was 50th out of 56 counties in the levies placed against the people. Still, these people have had their taxes double, and it doesn't make any difference to them that they are paying half of what other people are.

REP. KADAS asked **Mr. Svee**, how the legislature could deal with that, because that is the fundamental part of the whole problem. **Mr. Svee** responded that the legislature is making school districts rely on voted levies. His district has adjusted to changes made through the last few years and they have been able to lower the taxes for the last five consecutive years because the federal impact aid is used for that.

REP. SIMPKINS asked **Chip Erdmann** how he would suggest the legislature weigh his lawsuit against what the legislature must do to HB 667. **Mr. Erdmann** said there is a way of doing both. The legislature could delay the effective date to see what the court hands down, then come back and fine tune the bill and respond to the constitutional concerns at the same time.

REP. SIMPKINS asked if this bill is better than having HB 28 continue to flow and cause greater disparity which the legislature will have to make up for later on. **Mr. Erdmann** replied that, as far as the disparity issues and the equalization issues, HB 667 is a better vehicle than HB 28. While it does address those questions, he wasn't sure if it would address his concerns about small school funding.

REP. SIMPKINS asked **Mr. Moerer** if he knew of any other proposal that has been done since HB 28 that would come close to addressing economic disparity between the high spending schools and the low spending schools. **Mr. Moerer** said he didn't know of any.

REP. KADAS asked **Kathy Fabiano,** in regard to her concern on the PL 874 money, if she had said that under the proposed system, there might be a district that was at 75% of the minimum base but that district would not be able to use any of their 874 money to get to the 80%. **Ms. Fabiano** said they cannot use 874 money if it causes them to forego state aid. It would cause them to reduce permissive mills and cost them their GTB.

REP. KADAS asked what would happen if the schools had the option to go to 80% but chose not to. **Ms. Fabiano** said a district cannot choose to forego the state aid.

REP. SIMPKINS asked **Kathy Fabiano** if she could get a break-out showing the impact of PL 874 federal funds. **Ms. Fabiano** said the state receives about $22 million, and about one-half of that is

for special education and other grants that cannot be included in any equalization formula.

CHAIRMAN COBB asked **Andrea Merrill** if she wanted to distribute the amendments to each of the committee members so they could address them. **Ms. Merrill** informed him that the amendments belong to different individuals in the committee and those who have their names on them would probably want to present them.

Closing by Sponsor:

REP. KADAS closed by distributing several exhibits drafted by the Office of the Legislative Auditor. **EXHIBIT 12** is a breakdown of schools by county. He distributed and explained **EXHIBIT 13** which is a chart on the elementary and high schools and the effects of the per-pupil reducer (stop/loss) changes.

ADJOURNMENT

Adjournment: 7:35 p.m

REP. JOHN COBB, Chairman

Claudia Johnson, Secretary

JC/cj

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
SELECT COMMITEE ON SCHOOL FUNDING

ROLL CALL

DATE 3-11-93

NAME	PRESENT	ABSENT	EXCUSED
JOHN COBB, CHAIRMAN	✓		
RAY PECK, VICE CHAIRMAN			✓
BILL BOHARSKI	✓		
RUSSELL FAGG	✓		
MIKE KADAS	✓		
ANGELA RUSSELL	✓		
DICK SIMPKINS	✓		
DAVE WANZENRIED			✓

HR:1993
wp.rollcall.man
CS-09

EXHIBIT 10
DATE 3-11-93
HB 667

AMEND HB667, INTRODUCED BILL

P.L. 81-874

Purpose of the amendment

According to a recent letter from the U.S. Department of Education, the guaranteed tax base subsidy paid on districts' permissive levies is "state aid" for purposes of applying section 5(d)(1) of the federal Impact Aid regulations. Section 5(d)(1) says the State may not make "state aid" available in such a manner as to result in less "state aid" being paid to a district because of the amount of Impact Aid they receive. **Federal law prohibits Impact Aid payments to all LEA's in the state in the event of such a violation.** The amendment is necessary to ensure compliance with section 5(d)(1).

The amendments require that at 1992-93 year end, after establishing the operating reserve, districts identify the 81-874 portion of remaining fund balance using the ratio of current year 81-874 receipts deposited in the general fund to total non-foundation program general fund revenues for the year. Districts are required to add the amount identified in fund balance as Impact Aid to their P.L. 81-874 "excess reserve", then transfer the balance in that reserve to a new non-budgeted "Impact Aid" fund. For fiscal year 1993-94 and thereafter, districts are required to deposit all P.L. 81-874 revenues in the new "Impact Aid" fund and are prohibited from budgeting anticipated Impact Aid receipts in the state subsidized portion of the general fund budget.

THE INDIAN IMPACT SCHOOLS OF MONTANA (IISM) AND THE OFFICE OF PUBLIC INSTRUCTION ARE APPEALING THE DEPARTMENT OF EDUCATION'S DECISION THAT A DISTRICT CANNOT **CHOOSE** TO LOWER STATE-SUBISIDIZED PERMISSIVE MILLS USING P.L.81-874 MONIES.

Montana Education Association

1232 East Sixth Avenue • Helena, Montana 59601 • 406-442-4250

EXHIBIT 7
DATE 3-11-93
HB 667

MARCH 11, 1993

BEFORE THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING

HB667 -- REPRESENTATIVE COBB

Testimony of Tom Bilodeau, MEA Research Director

1) ADOPTION OF REP. FAGG's AMENDMENT CONCERNING PERMISSIVE (FY94,FY95) THEN VOTED LEVIES TO MEET ABOVE MAXIMUM BUDGET REDUCTION LEVELS AT 0% (FY94), -1% (FY95), -2%(FY96), -3% (FY97), ETC. ANNUAL RATES

2) *MAINTENANCE OF PERMISSIVE LEVY FOR 80 TO 100% RANGE AND ELIMINATION OF 4% BUDGET GROWTH LIMITATION*

3) *MAINTENANCE OF BUDGET CAPPING AS OPPOSED TO INFLATED 2 YEAR PREVIOUS EXPENDITURES*

   a) *FY93 general fund budget/anb ($4,056) are only +4.64% above FY92 general fund expenditure/anb ($3,876) -- the existing "problem" is limited*
   b) *maintenance of capping mechanism familiarity -- administrative efficacy in FY94*
   c) *HB667 maximum budget (100%) capping mechanism is already expenditure driven; all districts will eventually be capped on this basis over time irrespective of current budget/expenditure patterns*
   d) *80-100% permissive range is appropriate in view of transition, local control, equity*

4) ADOPTION OF PL874 HOLD HARMLESS AMENDMENTS

5) AMENDMENT TO ALLOW REFERENCE TO ACTUAL SPECIAL EDUCATION EXPENDITURES TO BE ADDED TO THE BASE FOR BUILDING MAXIMUM BUDGET LEVELS

6) *CHANGE STUDENT REDUCTION "STOP-LOSS" FROM 2,500 TO 1,500; AND ACCORDINGLY REDUCE STATE % AND INCREASE LOCAL % OF BASE COSTS TO ACCOUNT FOR THE +$5.175M COST (SEE ATTACHED SPREADSHEET)*

MEA further recommends that the 1993 Legislature -- through enactment of SB32 -- provide GTB support for school capital costs.

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c: Rep. Cobb, March 10, 1993

MEA IMPLICATIONS OF HB667 03/11

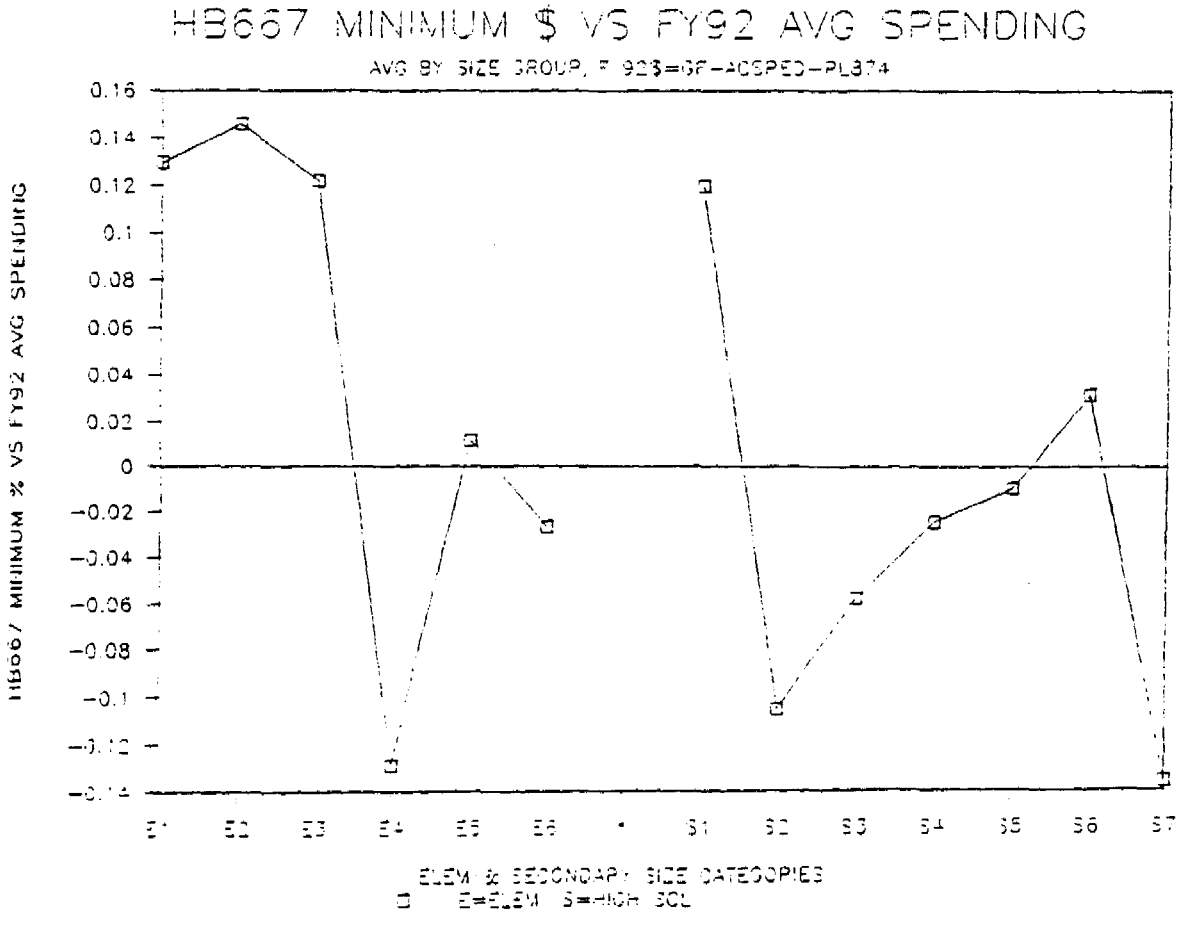
DISTRICT SIZE	FY92 $ SPENT	HB667 MINIMUM	HB667 DIFFERENCE $	HB667 DIFFERENCE %
E1. <=9	4,377	4,945	568	12.98%
E2. 10-17	3,424	3,924	500	14.60%
E3. 18-40	3,109	3,488	379	12.19%
E4. 41-100	4,120	3,589	(531)	-12.89%
E5. 101-300	3,319	3,358	39	1.18%
E6. >300	3,020	2,940	(80)	-2.65%
OVERALL	3,119	3,045	(74)	-2.37%

ELEMENTARY AVERAGES PER ANB

SIZE	FY92 $ SPENT	HB667 MINIMUM	HB667 DIFFERENCE $	HB667 DIFFERENCE %
S1. <=24	12,029	13,469	1,440	11.97%
S2. 25-40	9,685	8,664	(1,021)	-10.54%
S3. 41-100	6,721	6,333	(388)	-5.77%
S4. 101-200	5,070	4,945	(125)	-2.47%
S5. 201-300	4,564	4,519	(45)	-0.99%
S6. 301-600	4,073	4,199	126	3.09%
S7. >600	4,061	3,509	(552)	-13.59%
OVERALL	4,600	4,274	(326)	-7.09%

SECONDARY AVERAGES PER ANB

FY92 $ SPENT = FY92 GENERAL FUND EXPENDITURES - SPECIAL EDUCATION (ACSPED) - PL874 $



MEA HB667 -- "STOP LOSS AT 2,500 OR 1,500 ANB" 03/11

CURRENTLY, HB667 (REP.COBB -- AUDIT OFFICE) STOPS THE STUDENT REDUCTION FACTOR AT 2,500 ANB. THE IMPACT IS TO LEAVE A HIGHER PROPORTION OF LARGER DISTRICTS ABOVE HB667'S PROPOSED MIN'S / MAX'S (80+20%) THAN COMMON AMONG DISTRICTS IN SMALLER SIZE CATEGORIES. ADJUSTING THE "STOP-LOSS" POINT DOWN TO 1,500 -- INDEPENDENTLY DETERMINED BY JIM GILLETT IN THE AUDITOR'S OFFICE AND BY PROFESSOR GILCHRIST -- RETURNS LARGER DISTIRCTS TO THE SAME RELATIVE STATUS AS DISTRICTS IN OTHER SIZE CATEGORIES.

DISTRICT	ANB	*HB 667 "MINIMUM" @2,500 ANB	80% LEVEL @1,500 ANB	DIFFERENCE TO 2,500 $	%
FLATHEAD HS	1,957	7,065,862	7,107,723	41,861	0.59%
HELENA HS	2,425	8,490,360	8,661,670	171,310	2.02%
GREAT FALLS HS	3,321	11,108,149	11,636,749	528,600	4.76%
MISSOULA HS	3,360	11,220,044	11,766,244	546,200	4.87%
BILLINGS HS	4,613	14,881,306	15,926,706	1,045,400	7.02%
KALISPELL ELEM	2,488	7,363,938	7,374,979	11,041	0.15%
BOZEMAN ELEM	3,138	9,016,639	9,091.369	74,730	0.83%
BUTTE ELEM	3,686	10,480,722	10,623,682	142,960	1.36%
HELENA ELEM	5,110	14,355,708	14,644,908	289,200	2.01%
MISSOULA ELEM	5,819	16,025,312	16,448,752	423,440	2.64%
GREAT FALLS ELEM	8,904	24,051,790	24,885,060	833,270	3.46%
BILLINGS ELEM	10,251	27,530,794	28,596,578	1,065,784	3.87%
			TOTAL:	5,173,796	

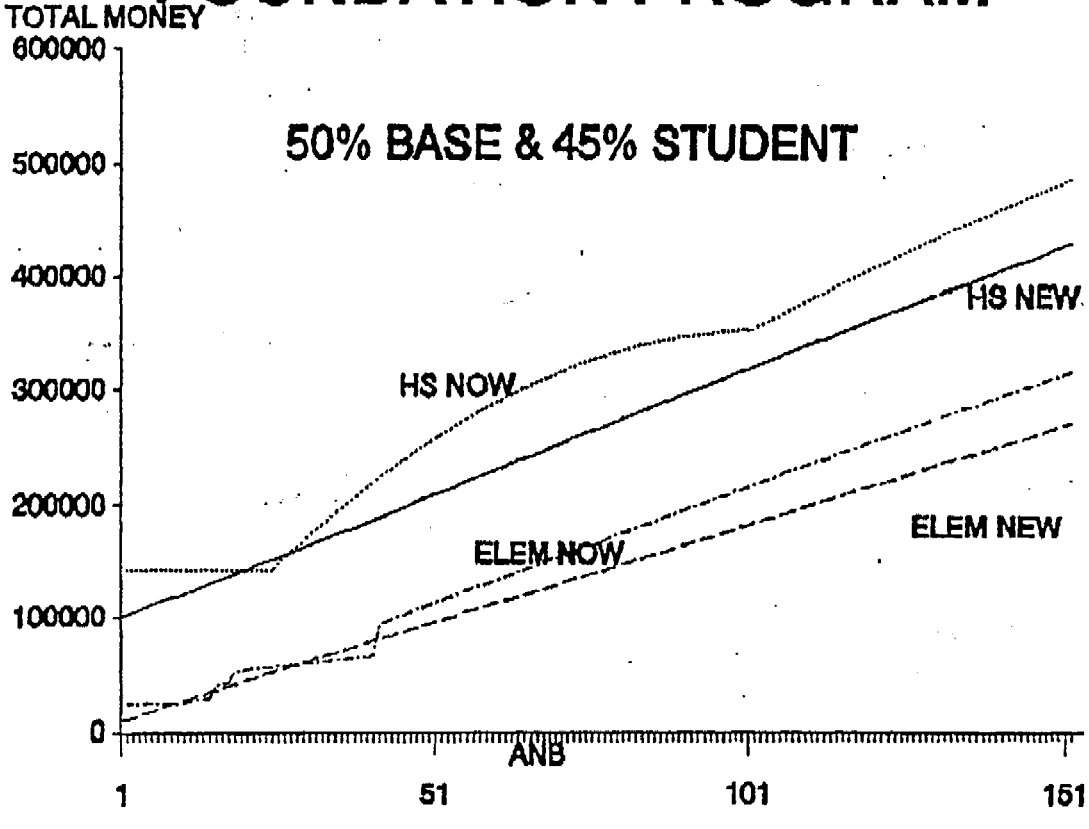
* FIGURED ON 3/4/93 ASSUMPTIONS

THE $5M "COST" OF ADJUSTING THE STOP-LOSS TO 1,500 ANB COULD BE SPREAD ACROSS ALL DISTRICTS PROPORTIONATELY TO SIZE (& ROUGHLY TAX VALUE) BY REDUCING THE STATE SHARE OF BASE COSTS & RAISING THE LOCAL SHARE BY AN AMOUNT EQUAL TO $5M. DOING SUCH WOULD NOT INCREASE STATE COST.

EXHIBIT 7
DATE 3-11-93
HB 667

EXHIBIT 7
DATE 3-11-93
HB 1067

FOUNDATION PROGRAM



FOUNDATION PROGRAM

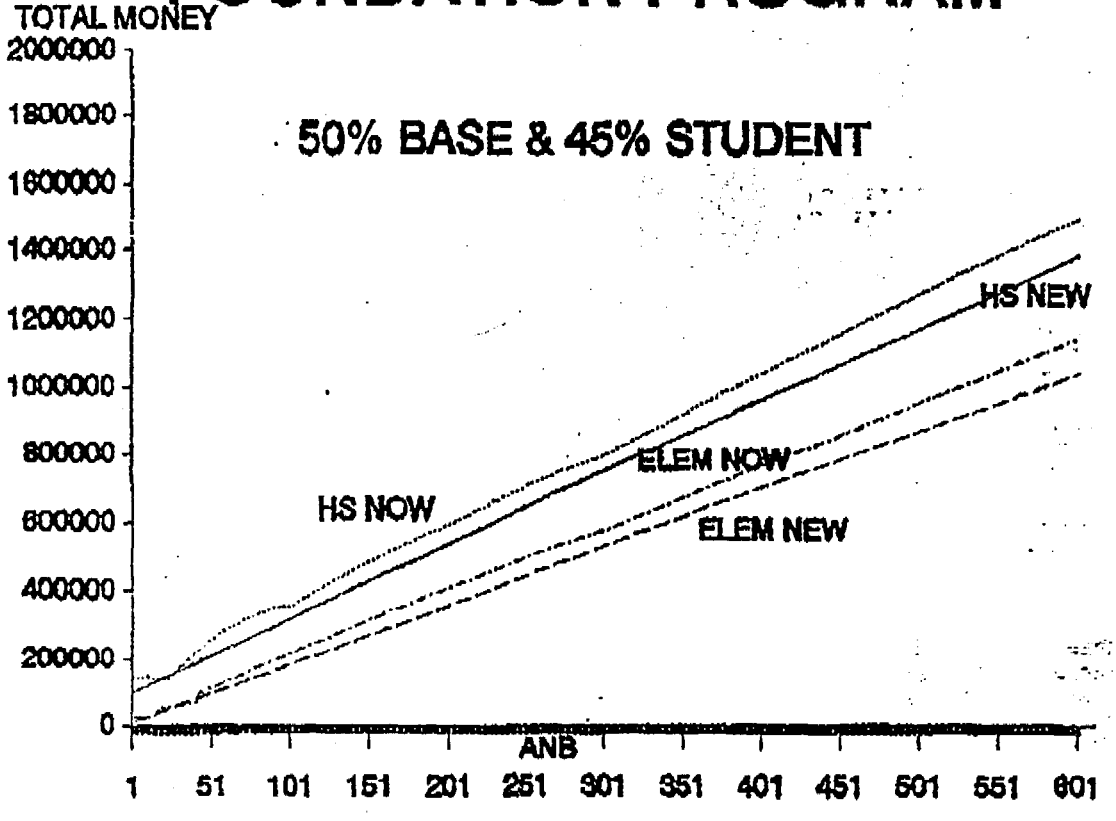


EXHIBIT 8
DATE 3-11-93
HB 667

Butte School District No. 1

Office of Superintendent

111 N. Montana Street
Butte, Montana 59701

Phone (406) 782-8315

March 11, 1993

The House Select Committee on Education Funding
Montana Legislature
State Capitol Building - Room 108
Helena, Montana 59620

RE: Funding Impact on High Cost Districts Due to House Bill 667

Dear Members:

The preliminary information that we have received indicates that Montana school districts exceeding maximum budget authority face a very serious financial future. This circumstance would harm the children's education in the represented districts. There are a large number of Montana districts that the legislative auditor's office has determined as high cost districts. According to their figures there are 120-140 elementary and secondary Montana school districts designated as high cost.

The serious fiscal implications for high cost school districts may be depicted when utilizing data for Butte School District No. 1.

Initial figures provided by the legislative auditor's office require Butte School District No. 1 to make enormous budgetary reductions over the next few years to eliminate the "high spending" designation. Butte School District No. 1 would be obligated to reduce the elementary budget by $859,351 over the next three years. A decrease in the Butte High School budget of $794,384 would be required over the next five years.

There are difficulties faced by the legislature as it considers bringing about equity among the 535 elementary and secondary Montana school districts. The following recommendations recognize the legislature's concern as it relates to equity. However, some mechanisms need to protect the high cost districts from serious fiscal distress:

1. <u>COLA for Base Entitlement and Per Student Allocations</u>

   The base entitlement ($18,000 - elementary; $200,00 - high school) and the per student allocation ($3500 - elementary; $4900 - high school) should be adjusted via the use of COLA. This would reduce the negative fiscal impact and yet still move toward equity.

D:\WP51\COBB

2. Enable Fiscal Adjustment for Additional ANB Counts

School districts that are experiencing student growth ultimately will experience additional costs. It is only equitable to provide additional fiscal support.

3. Reduce Serious Fiscal Impact on High Cost Districts by Freezing Budgets or Phasing in Budget Reductions

4. Remove Voted Levy for Years One, Two, and Three

Provide for a permissive levy for the first three years. It will be very difficult for high cost school districts to transitionalize in an effort to bring about equity among Montana school districts. Staffing reductions and other cuts will make it difficult to pass any type of voted levy.

5. Remove Extraordinary Costs from Budget Calculations

There are certain costs attributed to federal funds; i.e, 874, and the locally negotiated agreements that will make it difficult for high cost districts. For example, Butte School District No. 1 is required to fund a program for retirement sick leave buy-out and retirement health care benefits costing $1,039,000 in 1992-93. There should be some way of recognizing these unusual budgetary expenditures.

Sincerely,

William R. Nachatilo

William R. Nachatilo, Ed.D.
Superintendent
Butte School District No. 1

es

D:\WP5\COBB

EXHIBIT 9
DATE 3-11-93
HB 667

Effect on FP Ratios (Weights) by Addition of GTB, for High Schools; 1990-91

	Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
25 or less	1-7	2.81:1	7,014	2.52:1
25-40	2-7	2.27:1	5,672	2.04:1
41-100	3-7	1.77:1	4,625	1.66:1
101-200	4-7	1.28:1	3,359	1.21:1
201-300	5-7	1.14:1	2,962	1.06:1
301-600	6-7	1.03:1	2,766	0.99:1
over 600	7	1:1	2793	1:1

CORRECTED

EXHIBIT P-1

Effect on FP Ratios (Weights) by Addition of GTB, for Elementary: 1990-91

Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
9 or less 1-6	1.81:1	3,738	1.64:1
10-17 2-6	1.18:1	2,443	1.07:1
18-40 3-6	1.10:1	2,287	1.00:1
41-100 4-6	1.29:1	2,686	1.18:1
101-300 5-6	1.13:1	2,480	1.09:1
over-300 6	1:1	2287	1:1

PLAINTIFF'S EXHIBIT P-16

EXHIBIT 9
DATE 3-11-93
HB 667

SELECT COMMITTEE SCHOOL FUNDING BILL HB 667

	ANB	TARGET BUDGET	STATE $ BASE	MILL VALUE GTB/ANB	MILL VALUE GTB/F.P.	PERMISSIVE $	PERM.MILLS GTB/ANB	PERM.MILLS GTB/F.P.	MILLS TO FUND 20% LEVEL
BILLINGS	4579	18,477,514.50	8,314,881.50	453,870	449,003	6,467,130	14.24	14.40	25.32
COLUMBUS	152	939,062.00	422,577.90	15,066	22,819	318,673	21.15	13.96	38.83
VICTOR	75	566,112.50	254,750.62	7,434	13,756	188,139	25.30	13.67	45.84
ST. REGIS	57	478,502.00	215,325.90	5,649	11,627	157,475	27.87	13.54	30.75

90-91 GTB

	ANB	MILL VALUE PER ANB	PERM $ FP * 35%	ACT MILL VALUE	GTB MILL $50/ANB	PERM MILLS WITH GTB
BILLINGS	4579	31.88	3,998,611.	145,978.	228,950.	17.46
COLUMBUS	152	31.82	171,783.	4,837.	7,600.	22.60
VICTOR	75	32.93	114,397.	2,470.	3,750.	30.50
ST. REGIS	57	54.59	98,673.	3,112.	(2850.)	(31.70)

90-91 WEIGHTED GTB

	ANB	FP RATIO	WEIGHTED ANB	ACT MILL VALUE	WEIGHTED GTB MILL $50/ANB	PERM MILLS WEIGHTED GTB
BILLINGS	4579	1.0	4579	145,978.	228,950.	17.46
COLUMBUS	152	1.294	197	4,837.	9,850.	17.44
VICTOR	75	1.75	131	2,470.	6,550.	17.46
ST. REGIS	57	1.982	113	3,112.	5,650.	17.46

RESULTS OF WEIGHTING GTB ON PERMISSIVE

	PERM MILLS NO GTB	PERM MILLS WITH GTB	PERM MILLS WEIGHTED GTB
BILLINGS	27.39	17.46	17.46
COLUMBUS	35.31	22.60	17.44
VICTOR	46.31	30.50	17.46
ST. REGIS	31.70	(31.70)	17.46

EXHIBIT 10
DATE 3-11-93
HB 667

OFFICE OF PUBLIC INSTRUCTION
HB667 Amendments
March 11, 1993

Page 3, following line 23, insert, WHEREAS, it is the intent of the Legislature this bill be implemented immediately in school year 1993-1994, the Office of Public Instruction shall focus first on implementation of procedures, processes, and assistance necessary for district calculation and adoption of adequate budgets in compliance with this bill. As soon as practical after the adoption of district final budgets, the Office shall implement essential rule making procedures; and

WHEREAS, the Legislature recognizes the need to implement this bill in they short amount of time between passage and the beginning of FY94, it is the intent of the Legislature that the Legislative Auditor provide sufficient staff assistance to the Office of Public Instruction to ensure the transition to HB667 is accomplished with a minimum of delay and inconvenience to the districts; and

WHEREAS, the Legislature is concerned the implementation of this bill be accomplished with a minimum of additional reporting workload at the district and state level, the Office of Public Instruction, districts and county superintendents are strongly encouraged to implement electronic reporting and transmitting of data and information as soon as practical, using METNET, CAMAS, computer diskette, or any other standardized means practicable, and

AMEND HB667, INTRODUCED BILL

1. PAGE 61, LINE 17
FOLLOWING: "COUNTY"
INSERT: "THAT HAS SENT A FINAL BUDGET TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH THE PROVISIONS OF 20-9-134."

Purpose of Proposed Amendment

Allows the Office of Public Instruction to make a district's first-half guaranteed tax base payment later than the last working day in November, if the district's final budget was not submitted on time. The amendment is necessary because a district's guaranteed tax base entitlement cannot be calculated until the district's BASE budget levy is reported to the Office of Public Instruction.

EXHIBIT 10
DATE 3-11-93
HB 667

AMEND HB667, INTRODUCED BILL

1. Page 62, following line 6
Insert: "Section 20-9-346, MCA, is amended to read: " **20-9-346. Duties of the superintendent of public instruction for state equalization aid distribution.** The superintendent of public instruction shall administer the distribution of the state equalization aid by:
(1) establishing the annual entitlement of each district and county to state equalization aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the state equalization aid allocation procedure prescribed in 20-9-347;
(2) distributing by ~~state warrant or~~ electronic transfer the state equalization aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;
(3) keeping a record of the full and complete data concerning money available for state equalization aid, state advances for county equalization, and the entitlements for state equalization aid of the districts of the state;
(4) reporting to the board of public education the estimated amount that will be available for state equalization aid; and
(5) reporting to the legislature as provided in 5-11-210:
(a) the figures and data available concerning distributions of state equalization aid during the preceding 2 school fiscal years;
(b) the amount of state equalization aid then available;
(c) the apportionment made of the available money but not yet distributed;
(d) the latest estimate of accruals of money available for state equalization aid; and
(e) the amount of state advances and repayment for county equalization.

Purpose of the Amendment

The proposed amendment authorizes the Office of Public Instruction to distribute equalization aid to county treasurers using electronic means, rather than paper warrants. The amendment gives the Office of Public Instruction approximately five additional days each month to process district payments.

AMEND HB667, INTRODUCED BILL

CALCULATION OF AVERAGE NUMBER BELONGING (ANB)

Purpose of amendment

The amendment requires districts to use the most current student enrollment information available to calculate ANB. Because the method of calculating a district's minimum and maximum budget under HB667 is directly driven off ANB, it is important to use the most current enrollment information available. Also, if current enrollment information is not used, several districts will apply for "anticipated" ANB increases in May 1993, or will apply for "unanticipated" enrollment increases in 1993-94. This amendment will reduce the amount of staff time normally needed to process these "anticipated" and "unanticipated" enrollment increases. The time saved will be used to implement the provisions of HB667.

The 1992-93 fall enrollment count will be used to establish districts' budget limits for school year 1993-94. That count will result in total ANB of 159,752; using the current calculation method, ANB for 1993-94 is projected to be 161,068.

EXHIBIT 11
DATE 3-11-93
HB 667

AMENDMENTS TO HB 667

1. SPECIAL EDUCATION

A. SPECIAL EDUCATION AMOUNT/MINIMUM/MAXIMUM BUDGET LIMITS

This amendment will recognize that special education expenditures for allowable costs are funded from sources other than state allowable costs payments, and is a simple amendment that will accommodate whatever adjustments might be made to special education education funding procedures, which can be addressed in other bills.

AMENDMENT:

Page 4, line 20. Following "district", insert plus the special education budget amount as determined in 20-9-321.

Page 43, line 16. Following "~~Expenditures~~", strike ~~Budgeting and expenditures~~, insert Expenditures.

Page 54, following line 9, strike lines 10 through 14.

Page 54, line 15. Following "~~program~~", strike ~~allowable cost amount for~~.

Page 54, line 15. Following "education", insert budget amount.

B. TERMINOLOGY CHANGE

This amendment is to avoid changes an amended term (state allowable cost amount) to ~~state~~ allowable cost payment.

The bill has changed the term "foundation program", (which is a revenue reference to the state's allowable cost payment) when referring to special education to a term that may have many meanings. "Allowable costs" of special education are listed in 20-7-431 to identify specific expenditure categories that will be considered for funding. Then OPI determines "approved allowable costs" from "allowable costs budgets", and then funds the "allowable costs" on a prorated basis, and that becomes the "foundation program payment for special education".

Page 72, line 21. Following "allowable cost", insert payment.

Page 72, following line 21. Insert (3) Wherever it appears in 20-9-303 or 20-9-321, the code commissioner is directed to change the term "allowable cost amount" to "allowable cost payment".

AMENDMENTS TO HB 667

TERMINOLOGY CHANGE to avoid confusion - STATE EQUALIZATION AID

This amendment revises the term that was used to replace "Foundation Program" as it referred to revenues to fund the ANB schedule amounts and GTB. State equalization aid was used to replace that term in several instances, and is a term that is used in another context throughout the finance statutes.

When "BASE funding program" is defined in Section 1 and the sources are listed in Section 2 -- they both include current sources for the foundation program and specifically identify county equalization and state equalization aid

Therefore replacing the term "foundation program" with the term "state equalization aid" now indicates that only ONE of the revenue sources is used for the BASE funding program.

Page 72, following line 21. Insert (3) Wherever it appears in [section 1], 20-5-305, 20-5-312, 20-9-141, 20-9-343 (temporary), 20-9-343 (Effective July 1, 1993), 20-9-344, 20-9-347, 20-9-351, the code commissioner is directed to change the term "state equalization aid" to "equalization aid".

OFFICE OF THE LEGISLATIVE AUDITOR

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EXHIBIT 2
DATE 3-11-93
HB 647

FISCAL YEAR 1992–93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
BEAVERHEAD	BEAVERHEAD CO HS	458	$0	$35,000	$2,000	$0	$0	$37,000	
BEAVERHEAD	DILLON ELEM	1,048	$0	$28,000	$3,000	$0	$0	$31,000	
BEAVERHEAD	GRANT ELEM	26	$0	$0	$0	$0	$0	$0	
BEAVERHEAD	JACKSON ELEM	25	$0	$400	$0	$0	$0	$400	
BEAVERHEAD	LIMA ELEM	75	$0	$10	$0	$0	$0	$10	
BEAVERHEAD	LIMA H S	37	$0	$145	$0	$0	$0	$145	
BEAVERHEAD	POLARIS ELEM	12	$0	$200	$0	$0	$0	$200	
BEAVERHEAD	REICHLE ELEM	19	$0	$400	$0	$0	$0	$400	
BEAVERHEAD	WISDOM ELEM	45	$0	$0	$0	$0	$0	$0	
BEAVERHEAD	WISE RIVER ELEM	26	$0	$350	$0	$0	$0	$350	$69,505
BIG HORN	COMMUNITY ELEM	30	$0	$250	$0	$0	$0	$250	
BIG HORN	HARDIN ELEM	1,135	$1,478	$17,650	$0	$0	$197,824	$216,952	
BIG HORN	HARDIN H S	382	$3,753	$0	$0	$0	$604,243	$607,996	
BIG HORN	LODGE GRASS ELEM	385	$0	$0	$0	$0	$0	$0	
BIG HORN	LODGE GRASS H S	153	$0	$0	$0	$0	$0	$0	
BIG HORN	PLENTY COUPS HS	42	$0	$1,000	$0	$0	$0	$1,000	
BIG HORN	PRYOR ELEM	42	$0	$1,000	$0	$0	$0	$1,000	
BIG HORN	SQUIRREL CRK ELEM	9	$0	$50	$0	$0	$10,950	$11,000	
BIG HORN	WYOLA ELEM	54	$0	$1,735	$0	$0	$0	$1,735	$839,932
BLAINE	BEAR PAW ELEM	18	$0	$0	$0	$0	$0	$0	
BLAINE	CHINOOK ELEM	337	$145,000	$11,000	$0	$0	$0	$156,000	
BLAINE	CHINOOK H S	198	$140,000	$11,000	$0	$0	$0	$151,000	
BLAINE	CLEVELAND ELEM	13	$0	$0	$0	$0	$0	$0	
BLAINE	HARLEM ELEM	409	$0	$2,687	$765	$0	$0	$3,452	
BLAINE	HARLEM H S	141	$480	$5,360	$1,285	$1,100	$0	$8,225	
BLAINE	HAYS–LODGE POLE ELEM	153	$0	$0	$0	$0	$0	$0	
BLAINE	HAYS–LODGE POLE H S	72	$0	$0	$0	$0	$0	$0	
BLAINE	LLOYD ELEM	4	$0	$0	$0	$0	$0	$0	
BLAINE	N HARLEM COLONY ELEM	10	$0	$0	$0	$0	$0	$0	
BLAINE	TURNER ELEM	66	$0	$970	$0	$0	$0	$970	
BLAINE	TURNER H S	32	$0	$615	$0	$0	$0	$615	
BLAINE	ZURICH ELEM	68	$0	$0	$0	$0	$0	$0	$320,262
BROADWATER	BROADWATER CO HS	192	$0	$3,400	$100	$0	$0	$3,500	
BROADWATER	TOWNSEND ELEM	515	$0	$5,500	$250	$0	$0	$5,750	$9,250
CARBON	BELFRY ELEM	81	$120,497	$1,500	$0	$13,000	$0	$134,997	

OFFICE OF THE LEGISLATIVE AUDITOR

FISCAL YEAR 1992–93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

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HB 667

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
CARBON	BELFRY H S	49	$67,437	$300	$0	$2,000	$0	$69,737	
CARBON	BOYD ELEM	11	$0	$350	$0	$0	$0	$350	
CARBON	BRIDGER ELEM	163	$34,067	$0	$500	$2,700	$0	$37,267	
CARBON	BRIDGER H S	74	$35,645	$500	$500	$1,500	$0	$38,145	
CARBON	EDGAR ELEM	19	$0	$970	$0	$0	$0	$970	
CARBON	FROMBERG ELEM	110	$0	$2,000	$0	$0	$0	$2,000	
CARBON	FROMBERG H S	60	$0	$2,000	$0	$0	$0	$2,000	
CARBON	JACKSON ELEM	17	$0	$150	$0	$0	$0	$150	
CARBON	JOLIET ELEM	214	$0	$0	$0	$0	$0	$0	
CARBON	JOLIET H S	128	$0	$9,555	$0	$0	$0	$9,555	
CARBON	LUTHER ELEM	22	$0	$500	$0	$0	$0	$500	
CARBON	RED LODGE ELEM	392	$500	$20,000	$2,000	$1,500	$0	$24,000	
CARBON	RED LODGE H S	177	$200	$14,000	$1,900	$900	$0	$17,000	
CARBON	ROBERTS ELEM	81	$0	$2,750	$0	$0	$0	$2,750	
CARBON	ROBERTS H S	43	$0	$1,570	$0	$0	$0	$1,570	$340,991
CARTER	ALBION ELEM	10	$0	$0	$0	$0	$0	$0	
CARTER	ALZADA ELEM	16	$0	$0	$0	$0	$0	$0	
CARTER	CARTER CO H S	50	$0	$2,800	$0	$0	$0	$2,800	
CARTER	EKALAKA ELEM	84	$0	$6,000	$0	$0	$0	$6,000	
CARTER	HAMMOND–HAWKS HOME	22	$0	$0	$0	$0	$0	$0	
CARTER	JOHNSTON ELEM	5	$0	$0	$0	$0	$0	$0	
CARTER	PINE HILL–PLAINVW EL	13	$0	$0	$0	$0	$0	$0	
CARTER	RIDGE ELEM	4	$0	$0	$0	$0	$0	$0	$8,800
CASCADE	BELT ELEM	232	$0	$7,300	$0	$0	$0	$7,300	
CASCADE	BELT H S	91	$0	$6,000	$250	$0	$0	$6,250	
CASCADE	CASCADE ELEM	220	$0	$2,100	$0	$0	$0	$2,100	
CASCADE	CASCADE H S	125	$0	$9,341	$400	$0	$0	$9,741	
CASCADE	CENTERVILLE EL	243	$0	$6,800	$0	$0	$0	$6,800	
CASCADE	CENTERVILLE H S	93	$0	$3,500	$0	$0	$0	$3,500	
CASCADE	DEEP CREEK ELEM	6	$0	$550	$0	$0	$0	$550	
CASCADE	GREAT FALLS EL	8,904	$0	$210,000	$33,000	$0	$0	$243,000	
CASCADE	GREAT FALLS H S	3,321	$0	$225,000	$15,000	$0	$0	$240,000	
CASCADE	SIMMS H S	149	$0	$7,000	$0	$0	$0	$7,000	
CASCADE	SUN RIVER VALLEY	268	$0	$8,000	$0	$0	$0	$8,000	
CASCADE	ULM ELEM	102	$0	$1,500	$0	$0	$0	$1,500	

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FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
CASCADE	VAUGHN ELEM	179	$0	$1,000	$0	$0	$0	$1,000	$536,741
CHOUTEAU	BIG SANDY ELEM	181	$1,579	$10,630	$0	$0	$0	$12,209	
CHOUTEAU	BIG SANDY H S	90	$18,817	$10,000	$0	$0	$0	$28,817	
CHOUTEAU	CARTER ELEM	7	$0	$1,000	$0	$0	$0	$1,000	
CHOUTEAU	FT BENTON ELEM	365	$0	$5,000	$1,000	$0	$0	$6,000	
CHOUTEAU	FT BENTON H S	176	$1,000	$3,000	$1,000	$0	$0	$5,000	
CHOUTEAU	GERALDINE ELEM	118	$0	$0	$0	$0	$0	$0	
CHOUTEAU	GERALDINE H S	43	$1,000	$0	$0	$0	$0	$1,000	
CHOUTEAU	HIGHWOOD ELEM	93	$0	$2,000	$0	$0	$0	$2,000	
CHOUTEAU	HIGHWOOD H S	48	$0	$1,000	$0	$0	$0	$1,000	
CHOUTEAU	KNEES ELEM	9	$1,000	$400	$0	$0	$0	$1,400	
CHOUTEAU	LOMA ELEM	10	$1,000	$500	$0	$0	$0	$1,500	
CHOUTEAU	WARRICK ELEM	5	$100	$0	$0	$0	$0	$100	$60,026
CUSTER	COTTONWOOD EL	20	$0	$0	$0	$0	$0	$0	
CUSTER	CUSTER CO H S	627	$11,623	$23,220	$8,779	$0	$0	$43,622	
CUSTER	HKT-BASIN SPR CRK EL	9	$0	$100	$0	$0	$0	$100	
CUSTER	KINSEY ELEM	43	$0	$500	$0	$0	$0	$500	
CUSTER	KIRCHER ELEM	47	$0	$1,000	$0	$0	$0	$1,000	
CUSTER	MILES CITY ELEM	1,320	$0	$19,792	$10,550	$0	$0	$30,342	
CUSTER	MOON CREEK EL	13	$0	$64	$0	$0	$0	$64	
CUSTER	S H-FOSTER CRK ELEM	8	$900	$0	$0	$0	$0	$900	
CUSTER	S Y ELEM	10	$0	$0	$0	$0	$0	$0	
CUSTER	TRAIL CREEK EL	11	$0	$0	$0	$0	$0	$0	
CUSTER	TWIN BUTTES EL	4	$0	$0	$0	$0	$0	$0	
CUSTER	WHITNEY CRK EL	6	$0	$241	$0	$0	$0	$241	$76,768
DANIELS	FLAXVILLE ELEM	39	$0	$420	$0	$0	$0	$420	
DANIELS	FLAXVILLE H S	31	$0	$0	$0	$0	$0	$0	
DANIELS	PEERLESS ELEM	47	$0	$1,749	$0	$0	$0	$1,749	
DANIELS	PEERLESS H S	30	$0	$1,328	$0	$0	$0	$1,328	
DANIELS	SCOBEY ELEM	232	$0	$8,891	$0	$4,000	$0	$12,891	
DANIELS	SCOBEY H S	97	$0	$9,621	$0	$5,000	$0	$14,621	$31,008
DAWSON	BLOOMFIELD ELEM	25	$700	$25	$0	$0	$0	$725	
DAWSON	DAWSON CO H S	516	$55,000	$35,000	$0	$8,000	$0	$98,000	
DAWSON	DEER CREEK ELEM	23	$1,000	$0	$0	$0	$0	$1,000	
DAWSON	GLENDIVE ELEM	1,179	$50,000	$22,000	$500	$0	$0	$72,500	

OFFICE OF THE LEGISLATIVE AUDITOR

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EXHIBIT 12
DATE 3-11-93
HB 667

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
DAWSON	LINDSAY ELEM	16	$0	$0	$0	$0	$0	$0	
DAWSON	RICHEY ELEM	71	$1,023	$3,750	$0	$0	$0	$4,773	
DAWSON	RICHEY H S	47	$6,300	$1,450	$0	$0	$0	$7,750	$184,748
DEER LODGE	ANACONDA ELEM	1,096	$0	$33,432	$2,121	$0	$0	$35,554	
DEER LODGE	ANACONDA H S	539	$0	$17,617	$433	$0	$0	$18,050	$53,604
FALLON	BAKER ELEM	415	$460,536	$10,000	$0	$2,000	$0	$472,536	
FALLON	BAKER H S	165	$581,877	$1,200	$0	$17,000	$0	$600,077	
FALLON	FERTILE PRAIRIE EL	10	$6,530	$0	$0	$0	$0	$6,530	
FALLON	PLEVNA ELEM	94	$189,768	$0	$0	$0	$0	$189,768	
FALLON	PLEVNA H S	41	$126,803	$0	$0	$0	$0	$126,803	$1,395,715
FERGUS	AYERS ELEM	9	$0	$0	$0	$0	$0	$0	
FERGUS	COTTONWOOD ELEM	6	$0	$0	$0	$0	$0	$0	
FERGUS	DEERFIELD ELEM	15	$0	$0	$0	$0	$0	$0	
FERGUS	DENTON ELEM	126	$0	$2,000	$0	$0	$0	$2,000	
FERGUS	DENTON H S	53	$0	$0	$0	$0	$0	$0	
FERGUS	FERGUS H S	441	$0	$25,000	$0	$0	$0	$25,000	
FERGUS	GRASS RANGE EL	96	$0	$800	$0	$0	$0	$800	
FERGUS	GRASS RANGE H S	34	$0	$5,000	$0	$0	$0	$5,000	
FERGUS	KING COLONY EL	5	$0	$0	$0	$0	$0	$0	
FERGUS	LEWISTOWN ELEM	1,138	$0	$30,000	$0	$0	$0	$30,000	
FERGUS	MAIDEN ELEM	7	$0	$0	$0	$0	$0	$0	
FERGUS	MOORE ELEM	99	$0	$2,000	$0	$0	$0	$2,000	
FERGUS	MOORE H S	56	$0	$2,000	$0	$0	$0	$2,000	
FERGUS	ROY ELEM	46	$0	$2,500	$0	$0	$0	$2,500	
FERGUS	ROY H S	15	$0	$100	$0	$0	$0	$100	
FERGUS	SPRING CRK COLONY EL	4	$0	$0	$0	$0	$0	$0	
FERGUS	WINIFRED ELEM	115	$400	$300	$0	$0	$0	$700	
FERGUS	WINIFRED H S	42	$200	$150	$0	$0	$0	$350	$70,450
FLATHEAD	BIGFORK ELEM	587	$0	$14,859	$0	$0	$0	$14,859	
FLATHEAD	BIGFORK H S	306	$0	$17,000	$0	$0	$0	$17,000	
FLATHEAD	CAYUSE PRAIRIE ELEM	257	$0	$7,450	$0	$0	$0	$7,450	
FLATHEAD	COLUMBIA FALLS ELEM	1,649	$0	$44,000	$0	$0	$0	$44,000	
FLATHEAD	COLUMBIA FALLS H S	764	$0	$44,500	$0	$0	$0	$44,500	
FLATHEAD	CRESTON ELEM	79	$0	$3,900	$0	$0	$0	$3,900	
FLATHEAD	DEER PARK ELEM	97	$0	$2,500	$0	$0	$0	$2,500	

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
FLATHEAD	EVERGREEN ELEM	716	$0	$25,000	$0	$0	$0	$25,000	
FLATHEAD	FAIR-MONT-EGAN ELEM	146	$0	$4,596	$0	$0	$0	$4,596	
FLATHEAD	FLATHEAD H S	1,957	$0	$110,000	$20,000	$0	$0	$130,000	
FLATHEAD	HELENA FLATS EL	199	$0	$7,000	$0	$0	$0	$7,000	
FLATHEAD	KALISPELL ELEM	2,488	$0	$110,000	$20,000	$0	$0	$130,000	
FLATHEAD	KILA ELEM	105	$0	$4,400	$0	$0	$0	$4,400	
FLATHEAD	MARION ELEM	100	$0	$1,050	$0	$0	$0	$1,050	
FLATHEAD	OLNEY-BISSELL ELEM	96	$0	$2,150	$0	$0	$0	$2,150	
FLATHEAD	PLEASANT VALLEY ELEM	9	$0	$265	$0	$0	$0	$265	
FLATHEAD	SMITH VALLEY ELEM	140	$0	$3,815	$0	$0	$0	$3,815	
FLATHEAD	SOMERS ELEM	356	$0	$23,120	$0	$0	$0	$23,120	
FLATHEAD	SWAN RIVER EL	132	$0	$0	$0	$0	$0	$0	
FLATHEAD	WEST GLACIER ELEM	64	$0	$1,590	$0	$0	$0	$1,590	
FLATHEAD	WEST VALLEY EL	257	$0	$5,000	$0	$0	$0	$5,000	
FLATHEAD	WHITEFISH ELEM	1,185	$0	$36,000	$1,500	$0	$0	$37,500	
FLATHEAD	WHITEFISH H S	529	$0	$36,000	$1,500	$0	$0	$37,500	$547,196
GALLATIN	AMSTERDAM ELEM	50	$0	$3,600	$0	$0	$0	$3,600	
GALLATIN	ANDERSON ELEM	153	$0	$5,200	$0	$0	$0	$5,200	
GALLATIN	BELGRADE ELEM	1,229	$0	$39,000	$2,239	$0	$0	$41,239	
GALLATIN	BELGRADE H S	426	$0	$22,670	$1,152	$0	$0	$23,822	
GALLATIN	BOZEMAN ELEM	3,138	$0	$130,000	$40,000	$0	$0	$170,000	
GALLATIN	BOZEMAN H S	1,309	$0	$120,000	$20,000	$0	$0	$140,000	
GALLATIN	COTTONWOOD EL	11	$0	$550	$0	$0	$0	$550	
GALLATIN	GALLATIN GTWY ELEM	126	$0	$7,500	$0	$0	$0	$7,500	
GALLATIN	LA MOTTE ELEM	49	$0	$0	$0	$0	$0	$0	
GALLATIN	MALMBORG ELEM	8	$0	$0	$0	$0	$0	$0	
GALLATIN	MANHATTAN ELEM	365	$0	$8,000	$0	$0	$0	$8,000	
GALLATIN	MANHATTAN H S	177	$0	$10,000	$0	$0	$0	$10,000	
GALLATIN	MONFORTON EL	208	$0	$5,000	$0	$0	$0	$5,000	
GALLATIN	OPHIR ELEM	54	$0	$2,500	$0	$0	$0	$2,500	
GALLATIN	PASS CREEK ELEM	17	$0	$0	$0	$0	$0	$0	
GALLATIN	SPRINGHILL EL	14	$0	$300	$0	$0	$0	$300	
GALLATIN	THREE FORKS EL	264	$0	$8,200	$0	$0	$0	$8,200	
GALLATIN	THREE FORKS H S	120	$0	$6,700	$0	$0	$0	$6,700	
GALLATIN	W YELLOWSTONE ELEM	143	$0	$12,962	$1,971	$0	$0	$14,933	

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FISCAL YEAR 1992–93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
GALLATIN	W YELLOWSTONE H S	71	$0	$16,274	$2,566	$0	$0	$18,840	
GALLATIN	WILLOW CREEK EL	34	$0	$500	$100	$0	$0	$600	
GALLATIN	WILLOW CREEK HS	16	$0	$500	$0	$0	$0	$500	$467,484
GARFIELD	BENZIEN ELEM	8	$0	$0	$0	$0	$0	$0	
GARFIELD	BIG DRY CREEK ELEM	6	$0	$0	$0	$0	$0	$0	
GARFIELD	BLACKFOOT ELEM	7	$0	$0	$0	$0	$0	$0	
GARFIELD	COHAGEN ELEM	25	$0	$0	$0	$0	$0	$0	
GARFIELD	GARFIELD CO H S	93	$7,200	$5,000	$1,500	$0	$0	$13,700	
GARFIELD	JORDAN ELEM	138	$0	$1,700	$1,200	$0	$0	$2,900	
GARFIELD	KESTER ELEM	6	$0	$0	$0	$0	$0	$0	
GARFIELD	PINE GROVE ELEM	10	$0	$0	$0	$0	$0	$0	
GARFIELD	ROSS ELEM	4	$0	$0	$0	$0	$0	$0	
GARFIELD	SAND SPRINGS EL	6	$0	$0	$0	$0	$0	$0	
GARFIELD	VAN NORMAN ELEM	18	$0	$0	$0	$0	$0	$0	$16,600
GLACIER	BROWNING ELEM	1,445	$79,149	$2,000	$0	$0	$0	$81,149	
GLACIER	BROWNING H S	340	$29,355	$1,000	$0	$0	$0	$30,355	
GLACIER	CUT BANK ELEM	733	$50,000	$10,000	$0	$0	$0	$60,000	
GLACIER	CUT BANK H S	265	$221,257	$1,000	$0	$0	$0	$222,257	
GLACIER	E GLACIER PARK ELEM	57	$0	$0	$0	$0	$0	$0	
GLACIER	MOUNTAIN VIEW ELEM	24	$0	$0	$0	$0	$0	$0	$393,761
GOLDEN VALLEY	LAVINA ELEM	51	$87	$2,265	$0	$234	$0	$2,586	
GOLDEN VALLEY	LAVINA H S	24	$50	$2,215	$0	$159	$0	$2,424	
GOLDEN VALLEY	RYEGATE ELEM	53	$1,342	$2,208	$0	$0	$0	$3,550	
GOLDEN VALLEY	RYEGATE H S	25	$1,655	$2,600	$0	$0	$0	$4,255	$12,816
GRANITE	DRUMMOND ELEM	129	$0	$3,000	$0	$0	$0	$3,000	
GRANITE	DRUMMOND H S	94	$0	$1,000	$0	$0	$0	$1,000	
GRANITE	GRANITE H S	80	$0	$7,246	$79	$0	$0	$7,325	
GRANITE	HALL ELEM	29	$0	$800	$0	$0	$0	$800	
GRANITE	PHILIPSBURG EL	195	$0	$10,400	$0	$0	$0	$10,400	$22,525
HILL	BLUE SKY ELEM	141	$376	$4,500	$500	$0	$0	$5,376	
HILL	BLUE SKY HIGH	33	$0	$6,000	$1,000	$0	$0	$7,000	
HILL	BOX ELDER ELEM	142	$0	$660	$0	$0	$0	$660	
HILL	BOX ELDER H S	51	$0	$390	$0	$0	$0	$390	
HILL	COTTONWOOD ELEM	39	$10,000	$800	$0	$0	$0	$10,800	
HILL	DAVEY ELEM	5	$0	$0	$0	$0	$0	$0	

FISCAL YEAR 1992-93 BUDGET
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COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
HILL	GILDFORD COLONY ELEM	12	$0	$70	$0	$0	$0	$70	
HILL	HAVRE ELEM	1,840	$103,000	$20,000	$230	$20,000	$0	$143,230	
HILL	HAVRE H S	789	$89,000	$3,100	$0	$3,000	$0	$95,100	
HILL	K-G ELEM	83	$0	$1,680	$0	$0	$0	$1,680	
HILL	K-G HIGH SCHOOL	30	$0	$1,500	$0	$0	$0	$1,500	
HILL	ROCKY BOY ELEM	341	$0	$0	$0	$0	$0	$0	
HILL	ROCKY BOY HIGH	84	$0	$0	$0	$0	$0	$0	$265,806
JEFFERSON	BASIN ELEM	10	$0	$0	$0	$0	$0	$0	
JEFFERSON	BOULDER ELEM	231	$0	$10,000	$0	$0	$0	$10,000	
JEFFERSON	CARDWELL ELEM	51	$0	$200	$0	$0	$0	$200	
JEFFERSON	CLANCY ELEM	366	$0	$19,000	$0	$0	$0	$19,000	
JEFFERSON	JEFFERSON H S	235	$0	$11,950	$0	$0	$0	$11,950	
JEFFERSON	MONTANA CITY ELEM	199	$0	$12,546	$0	$0	$0	$12,546	
JEFFERSON	WHITEHALL ELEM	375	$0	$18,500	$500	$0	$0	$19,000	
JEFFERSON	WHITEHALL H S	175	$0	$11,850	$500	$0	$0	$12,350	$85,046
JUDITH BASIN	GEYSER ELEM	67	$0	$1,250	$0	$0	$0	$1,250	
JUDITH BASIN	GEYSER H S	32	$0	$1,300	$0	$0	$0	$1,300	
JUDITH BASIN	HOBSON ELEM	96	$0	$4,984	$0	$0	$0	$4,984	
JUDITH BASIN	HOBSON H S	47	$500	$5,000	$0	$0	$0	$5,500	
JUDITH BASIN	RAYNESFORD ELEM	23	$0	$500	$0	$0	$0	$500	
JUDITH BASIN	STANFORD ELEM	140	$550	$4,000	$0	$0	$0	$4,550	
JUDITH BASIN	STANFORD H S	58	$0	$4,000	$0	$0	$0	$4,000	$22,084
LAKE	ARLEE ELEM	272	$0	$3,949	$0	$0	$0	$3,949	
LAKE	ARLEE H S	145	$0	$1,673	$0	$0	$0	$1,673	
LAKE	CHARLO ELEM	197	$0	$316	$0	$0	$0	$316	
LAKE	CHARLO H S	74	$0	$4,146	$0	$0	$0	$4,146	
LAKE	POLSON ELEM	1,049	$0	$7,370	$0	$0	$0	$7,370	
LAKE	POLSON H S	463	$0	$12,059	$680	$0	$0	$12,739	
LAKE	RONAN ELEM	1,077	$0	$9,054	$3,153	$0	$0	$12,207	
LAKE	RONAN H S	382	$0	$6,289	$2,123	$0	$0	$8,412	
LAKE	ST IGNATIUS ELEM	421	$0	$2,000	$0	$0	$0	$2,000	
LAKE	ST IGNATIUS H S	168	$0	$2,000	$0	$0	$0	$2,000	
LAKE	SWAN LAKE-SALMON ELE	18	$0	$112	$0	$0	$0	$112	
LAKE	UPPER WEST SHORE ELEM	24	$0	$0	$0	$0	$0	$0	
LAKE	VALLEY VIEW ELEM	20	$0	$0	$0	$0	$0	$0	$54,925

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FISCAL YEAR 1992-93 BUDGET
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SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
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COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
LEWIS AND CLARK	AUCHARD CRK ELEM	21	$0	$0	$0	$0	$0	$0	
LEWIS AND CLARK	AUGUSTA ELEM	105	$0	$3,500	$0	$0	$1,000	$4,500	
LEWIS AND CLARK	AUGUSTA H S	34	$0	$4,500	$0	$0	$0	$4,500	
LEWIS AND CLARK	CRAIG ELEM	9	$0	$300	$0	$0	$0	$300	
LEWIS AND CLARK	E HELENA ELEM	1,024	$0	$20,000	$0	$0	$0	$20,000	
LEWIS AND CLARK	HELENA ELEM	5,110	$0	$297,386	$40,000	$0	$0	$337,386	
LEWIS AND CLARK	HELENA H S	2,425	$0	$240,000	$18,600	$0	$0	$258,600	
LEWIS AND CLARK	KESSLER ELEM	289	$0	$3,000	$0	$0	$0	$3,000	
LEWIS AND CLARK	LINCOLN ELEM	149	$0	$4,300	$300	$0	$0	$4,600	
LEWIS AND CLARK	LINCOLN HIGH SCHOOL	46	$0	$2,500	$300	$0	$0	$2,800	
LEWIS AND CLARK	TRINITY ELEM	14	$0	$1,500	$0	$0	$0	$1,500	
LEWIS AND CLARK	WOLF CREEK ELEM	13	$0	$0	$0	$0	$0	$0	$637,186
LIBERTY	CHESTER ELEM	240	$24,000	$5,100	$2,400	$0	$0	$31,500	
LIBERTY	CHESTER H S	98	$60,000	$7,800	$2,900	$0	$0	$70,700	
LIBERTY	J-I ELEM	113	$3,520	$3,676	$0	$0	$0	$7,196	
LIBERTY	J-I HIGH SCHOOL	42	$8,548	$7,725	$0	$0	$0	$16,273	
LIBERTY	LIBERTY ELEM SCHOOL	12	$871	$80	$0	$0	$0	$951	
LIBERTY	WHITLASH ELEM	9	$0	$0	$0	$0	$0	$0	$126,619
LINCOLN	EUREKA ELEM	521	$0	$16,964	$500	$0	$0	$17,464	
LINCOLN	FORTINE ELEM	76	$0	$100	$0	$0	$0	$100	
LINCOLN	LIBBY ELEM	1,465	$0	$80,000	$5,000	$0	$0	$85,000	
LINCOLN	LIBBY H S	603	$0	$65,000	$4,000	$0	$0	$69,000	
LINCOLN	LINCOLN CO H S	289	$0	$15,000	$0	$0	$0	$15,000	
LINCOLN	MCCORMICK ELEM	17	$0	$0	$0	$0	$0	$0	
LINCOLN	SYLVANITE ELEM	14	$0	$100	$0	$0	$0	$100	
LINCOLN	TREGO ELEM	69	$0	$520	$0	$0	$0	$520	
LINCOLN	TROY ELEM	467	$0	$8,000	$0	$0	$0	$8,000	
LINCOLN	TROY H S	226	$0	$6,500	$0	$0	$0	$6,500	
LINCOLN	YAAK ELEM	18	$0	$200	$0	$0	$0	$200	$201,884
MADISON	ALDER ELEM	29	$0	$700	$0	$0	$0	$700	
MADISON	ENNIS ELEM	241	$0	$11,100	$1,115	$0	$0	$12,215	
MADISON	ENNIS H S	117	$0	$7,800	$800	$0	$0	$8,600	
MADISON	HARRISON ELEM	79	$0	$2,100	$0	$0	$0	$2,100	
MADISON	HARRISON H S	37	$0	$2,100	$0	$0	$0	$2,100	
MADISON	SHERIDAN ELEM	187	$0	$200	$0	$0	$0	$200	

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MADISON	SHERIDAN H S	99	$0	$7,000	$0	$0	$0	$7,000	
MADISON	TWIN BRIDGES ELEM	159	$0	$5,000	$0	$0	$0	$5,000	
MADISON	TWIN BRIDGES H S	80	$0	$0	$4,500	$0	$0	$4,500	$42,415
MCCONE	CIRCLE ELEM	229	$19,600	$6,285	$1,500	$0	$0	$27,385	
MCCONE	CIRCLE H S	138	$11,000	$6,000	$0	$0	$0	$17,000	
MCCONE	PRAIRIE ELK ELEM	6	$0	$0	$0	$0	$0	$0	
MCCONE	SOUTHVIEW ELEM	11	$0	$400	$0	$0	$0	$400	
MCCONE	VIDA ELEM	19	$2,500	$580	$0	$0	$0	$3,080	$47,865
MEAGHER	LENNEP ELEM	12	$0	$650	$60	$0	$0	$710	
MEAGHER	RINGLING ELEM	5	$0	$600	$50	$0	$0	$650	
MEAGHER	WHT SULPHUR SPGS ELEM	183	$0	$11,540	$1,115	$0	$0	$12,655	
MEAGHER	WHT SULPHUR SPGS HS	103	$0	$8,550	$825	$0	$0	$9,375	$23,390
MINERAL	ALBERTON ELEM	164	$0	$2,300	$0	$0	$0	$2,300	
MINERAL	ALBERTON H S	59	$0	$2,100	$0	$0	$0	$2,100	
MINERAL	ST REGIS ELEM	153	$0	$2,341	$0	$0	$0	$2,341	
MINERAL	ST REGIS H S	56	$0	$2,342	$0	$0	$0	$2,342	
MINERAL	SUPERIOR ELEM	304	$0	$15,351	$3,930	$0	$0	$19,281	
MINERAL	SUPERIOR H S	130	$0	$8,212	$1,453	$0	$0	$9,665	$38,029
MISSOULA	BONNER ELEM	423	$0	$17,080	$0	$0	$0	$17,080	
MISSOULA	CLINTON ELEM	236	$0	$8,973	$0	$0	$0	$8,973	
MISSOULA	DESMET SCHOOL	104	$0	$2,230	$0	$0	$0	$2,230	
MISSOULA	FRENCHTOWN ELEM	624	$0	$10,000	$0	$0	$0	$10,000	
MISSOULA	FRENCHTOWN H S	266	$0	$10,000	$0	$0	$0	$10,000	
MISSOULA	HELLGATE ELEM	920	$0	$8,363	$0	$0	$0	$8,363	
MISSOULA	LOLO ELEM	625	$0	$15,000	$0	$0	$0	$15,000	
MISSOULA	MISSOULA ELEM	5,819	$0	$281,000	$54,000	$0	$0	$335,000	
MISSOULA	MISSOULA H S	3,360	$0	$287,797	$20,000	$0	$0	$307,797	
MISSOULA	POTOMAC ELEM	107	$0	$2,133	$0	$0	$0	$2,133	
MISSOULA	SEELEY LAKE ELEM	214	$0	$9,500	$0	$0	$0	$9,500	
MISSOULA	SUNSET ELEM	11	$0	$500	$0	$0	$0	$500	
MISSOULA	SWAN VALLEY ELEM	70	$0	$0	$0	$0	$0	$0	
MISSOULA	TARGET RANGE ELEM	507	$0	$11,885	$0	$0	$0	$11,885	
MISSOULA	WOODMAN ELEM	67	$0	$511	$0	$0	$0	$511	$738,972
MUSSELSHELL	MELSTONE ELEM	65	$42,844	$440	$0	$24,000	$0	$67,284	
MUSSELSHELL	MELSTONE H S	51	$38,414	$400	$0	$23,000	$0	$61,814	

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MUSSELSHELL	MUSSELSHELL ELEM	20	$31,226	$0	$0	$0	$0	$31,226	
MUSSELSHELL	ROUNDUP ELEM	474	$20,000	$5,500	$400	$0	$0	$25,900	
MUSSELSHELL	ROUNDUP H S	195	$18,000	$4,000	$1,500	$0	$0	$23,500	$209,724
PARK	ARROWHEAD ELEM	53	$0	$4,000	$0	$0	$0	$4,000	
PARK	COOKE CITY ELEM	7	$0	$100	$0	$0	$0	$100	
PARK	GARDINER ELEM	167	$0	$8,467	$0	$0	$0	$8,467	
PARK	GARDINER H S	74	$0	$9,442	$0	$0	$0	$9,442	
PARK	LIVINGSTON ELEM	1,059	$0	$25,000	$5,000	$0	$0	$30,000	
PARK	PARK H S	463	$0	$30,000	$5,000	$0	$0	$35,000	
PARK	PINE CREEK ELEM	22	$0	$0	$0	$0	$0	$0	
PARK	RICHLAND ELEM	11	$0	$0	$0	$0	$0	$0	
PARK	SHIELDS VALLEY ELEM	199	$0	$0	$0	$0	$0	$0	
PARK	SHIELDS VALLEY H S	93	$0	$0	$0	$0	$0	$0	
PARK	SPRINGDALE ELEM	10	$0	$150	$0	$0	$0	$150	$87,159
PETROLEUM	WINNETT ELEM	70	$12,962	$3,290	$0	$564	$0	$16,816	
PETROLEUM	WINNETT H S	38	$14,617	$3,710	$0	$636	$0	$18,963	$35,779
PHILLIPS	DODSON ELEM	89	$0	$4,000	$1,200	$0	$0	$5,200	
PHILLIPS	DODSON H S	50	$0	$2,920	$1,126	$0	$0	$4,046	
PHILLIPS	LANDUSKY ELEM	8	$0	$60	$0	$0	$0	$60	
PHILLIPS	MALTA ELEM	463	$5,144	$23,173	$10,655	$0	$0	$38,972	
PHILLIPS	MALTA H S	222	$8,534	$23,200	$10,778	$0	$0	$42,512	
PHILLIPS	SACO ELEM	91	$121,561	$2,700	$0	$7,550	$0	$131,811	
PHILLIPS	SACO H S	37	$167,848	$2,150	$0	$8,000	$0	$177,998	
PHILLIPS	SECOND CRK ELEM	7	$0	$100	$0	$0	$0	$100	
PHILLIPS	WHITEWATER ELEM	56	$87,215	$836	$0	$22,777	$0	$110,828	
PHILLIPS	WHITEWATER H S	38	$58,792	$956	$0	$17,978	$0	$77,726	$589,254
PONDERA	BRADY ELEM	61	$688	$5,000	$0	$0	$0	$5,688	
PONDERA	BRADY H S	37	$503	$1,600	$0	$0	$0	$2,103	
PONDERA	CONRAD ELEM	560	$70,293	$20,000	$12,000	$0	$0	$102,293	
PONDERA	CONRAD H S	227	$60,000	$19,000	$12,000	$0	$0	$91,000	
PONDERA	DUPUYER ELEM	31	$500	$1,225	$0	$0	$0	$1,725	
PONDERA	HEART BUTTE ELEM	177	$0	$30	$0	$0	$0	$30	
PONDERA	HEART BUTTE HIGH SCH	56	$0	$50	$0	$0	$0	$50	
PONDERA	MIAMI ELEM	22	$54	$400	$0	$0	$0	$454	
PONDERA	VALIER ELEM	204	$600	$7,000	$0	$0	$0	$7,600	

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
PONDERA	VALIER H S	75	$1,125	$10,000	$0	$0	$0	$11,125	$222,068
POWDER RIVER	BELLE CREEK EL	12	$46,000	$0	$0	$0	$0	$46,000	
POWDER RIVER	BIDDLE ELEM	26	$2,100	$500	$0	$0	$0	$2,600	
POWDER RIVER	BILLUP ELEM	6	$0	$40	$0	$0	$0	$40	
POWDER RIVER	BROADUS ELEM	196	$0	$8,350	$1,050	$0	$0	$9,400	
POWDER RIVER	HORKAN CRK ELEM	7	$0	$75	$0	$0	$0	$75	
POWDER RIVER	POWDER RVR CO DIST HS	133	$158,526	$6,000	$1,089	$0	$0	$165,615	
POWDER RIVER	SO STACEY ELEM	6	$0	$50	$0	$0	$0	$50	$223,780
POWELL	AVON ELEM	38	$0	$502	$0	$0	$1,100	$1,602	
POWELL	DEER LODGE ELEM	651	$0	$37,893	$0	$0	$0	$37,893	
POWELL	ELLISTON ELEM	24	$0	$800	$0	$0	$0	$800	
POWELL	GARRISON ELEM	15	$0	$0	$0	$0	$0	$0	
POWELL	GOLD CREEK ELEM	11	$0	$0	$0	$0	$0	$0	
POWELL	HELMVILLE ELEM	21	$0	$325	$0	$0	$0	$325	
POWELL	OVANDO ELEM	22	$0	$1,400	$0	$0	$0	$1,400	
POWELL	POWELL CO H S	298	$0	$15,000	$0	$0	$0	$15,000	$57,020
PRAIRIE	TERRY ELEM	163	$3,582	$1,800	$0	$0	$0	$5,382	
PRAIRIE	TERRY H S	90	$2,604	$1,028	$0	$0	$0	$3,632	$9,014
RAVALLI	CORVALLIS ELEM	669	$0	$5,500	$0	$0	$0	$5,500	
RAVALLI	CORVALLIS H S	288	$0	$2,800	$0	$0	$0	$2,800	
RAVALLI	DARBY ELEM	382	$0	$0	$0	$0	$0	$0	
RAVALLI	DARBY H S	165	$0	$14,000	$0	$0	$0	$14,000	
RAVALLI	FLORENCE-CARLTON ELE	488	$0	$7,000	$0	$0	$0	$7,000	
RAVALLI	FLORENCE-CARLTON HS	172	$0	$3,000	$0	$0	$0	$3,000	
RAVALLI	HAMILTON ELEM	899	$0	$30,000	$2,000	$0	$0	$32,000	
RAVALLI	HAMILTON H S	430	$0	$23,000	$1,500	$0	$0	$24,500	
RAVALLI	LONE ROCK ELEM	163	$0	$5,000	$0	$0	$0	$5,000	
RAVALLI	STEVENSVILLE EL	790	$0	$22,100	$0	$0	$0	$22,100	
RAVALLI	STEVENSVILLE HS	371	$0	$12,400	$0	$0	$0	$12,400	
RAVALLI	VICTOR ELEM	191	$0	$12,500	$4,000	$0	$0	$16,500	
RAVALLI	VICTOR H S	81	$0	$7,000	$5,570	$0	$0	$12,570	$157,370
RICHLAND	BRORSON ELEM	11	$1,400	$83	$0	$0	$0	$1,483	
RICHLAND	FAIRVIEW ELEM	199	$169,475	$3,000	$100	$13,000	$0	$185,575	
RICHLAND	FAIRVIEW H S	156	$109,433	$2,000	$100	$7,500	$0	$119,033	
RICHLAND	LAMBERT ELEM	83	$38,135	$3,450	$0	$18,000	$0	$59,585	

OFFICE OF THE LEGISLATIVE AUDITOR

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03/11/93
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3-11-93
HB 667

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
RICHLAND	LAMBERT H S	40	$36,291	$4,406	$0	$568	$0	$41,265	
RICHLAND	RAU ELEM	67	$17,000	$500	$0	$0	$0	$17,500	
RICHLAND	SAVAGE ELEM	131	$1,261	$5,000	$0	$0	$60,168	$66,429	
RICHLAND	SAVAGE H S	34	$2,894	$4,200	$0	$10,000	$44,882	$61,976	
RICHLAND	SIDNEY ELEM	1,110	$225,000	$50,000	$7,000	$45,000	$0	$327,000	
RICHLAND	SIDNEY H S	538	$315,326	$25,000	$4,000	$35,000	$0	$379,326	$1,259,172
ROOSEVELT	BAINVILLE ELEM	77	$67,564	$2,400	$0	$0	$0	$69,964	
ROOSEVELT	BAINVILLE H S	31	$212,436	$1,600	$0	$0	$0	$214,036	
ROOSEVELT	BROCKTON ELEM	90	$0	$500	$0	$0	$0	$500	
ROOSEVELT	BROCKTON H S	47	$0	$500	$0	$0	$0	$500	
ROOSEVELT	CULBERTSON ELEM	233	$18,600	$700	$307	$0	$0	$19,607	
ROOSEVELT	CULBERTSON H S	90	$18,000	$427	$600	$0	$0	$19,027	
ROOSEVELT	FROID ELEM	78	$28,000	$4,000	$450	$7,000	$0	$39,450	
ROOSEVELT	FROID H S	41	$19,000	$2,000	$450	$6,500	$0	$27,950	
ROOSEVELT	FRONTIER ELEM	124	$44,381	$800	$0	$0	$0	$45,181	
ROOSEVELT	POPLAR ELEM	644	$12,064	$524	$0	$0	$0	$12,588	
ROOSEVELT	POPLAR H S	179	$157,131	$5,741	$43	$3,449	$0	$166,364	
ROOSEVELT	WOLF POINT ELEM	700	$12,854	$8,601	$2,450	$0	$0	$23,906	
ROOSEVELT	WOLF POINT H S	310	$33,854	$7,774	$1,572	$0	$0	$43,199	$682,272
ROSEBUD	ASHLAND ELEM	101	$0	$4,581	$350	$0	$0	$4,931	
ROSEBUD	BIRNEY ELEM	16	$0	$1,593	$0	$0	$0	$1,593	
ROSEBUD	COLSTRIP ELEM	916	$0	$500	$0	$0	$575,000	$575,500	
ROSEBUD	COLSTRIP H S	450	$0	$8,000	$0	$0	$399,000	$407,000	
ROSEBUD	FORSYTH ELEM	443	$0	$25,000	$2,000	$0	$0	$27,000	
ROSEBUD	FORSYTH H S	233	$79,000	$0	$0	$0	$0	$79,000	
ROSEBUD	LAME DEER ELEM	325	$0	$3,100	$0	$0	$0	$3,100	
ROSEBUD	ROCK SPRING ELEM	4	$0	$82	$0	$0	$0	$82	
ROSEBUD	ROSEBUD ELEM	83	$0	$5,000	$0	$0	$0	$5,000	
ROSEBUD	ROSEBUD H S	28	$0	$8,000	$0	$0	$0	$8,000	$1,111,206
SANDERS	CAMAS PRAIRIE ELEM	7	$0	$0	$0	$0	$0	$0	
SANDERS	DIXON ELEM	47	$0	$0	$0	$0	$0	$0	
SANDERS	HOT SPRINGS ELEM	146	$0	$2,800	$0	$0	$0	$2,800	
SANDERS	HOT SPRINGS H S	73	$0	$2,300	$0	$0	$0	$2,300	
SANDERS	NOXON ELEM	176	$0	$2,500	$0	$0	$0	$2,500	
SANDERS	NOXON H S	108	$0	$1,300	$0	$0	$0	$1,300	

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
SANDERS	PARADISE ELEM	48	$0	$500	$0	$0	$0	$500	
SANDERS	PLAINS ELEM	304	$0	$10,000	$0	$0	$0	$10,000	
SANDERS	PLAINS H S	165	$0	$7,000	$0	$0	$0	$7,000	
SANDERS	THOMPSON FALLS ELEM	385	$0	$10,000	$2,000	$0	$0	$12,000	
SANDERS	THOMPSON FALLS H S	194	$0	$6,000	$1,600	$0	$0	$7,600	
SANDERS	TROUT CRK ELEM	90	$0	$3,500	$0	$0	$0	$3,500	$49,500
SHERIDAN	HIAWATHA ELEM	16	$0	$0	$0	$0	$0	$0	
SHERIDAN	MEDICINE LK EL	164	$134,835	$4,000	$0	$8,000	$0	$146,835	
SHERIDAN	MEDICINE LK H S	80	$126,853	$3,000	$0	$6,000	$0	$135,853	
SHERIDAN	OUTLOOK ELEM	53	$54,406	$6,000	$0	$0	$0	$60,406	
SHERIDAN	OUTLOOK H S	24	$37,667	$4,500	$0	$0	$0	$42,167	
SHERIDAN	PLENTYWOOD ELEM	361	$44,726	$20,684	$8,500	$9,348	$0	$83,258	
SHERIDAN	PLENTYWOOD H S	162	$48,341	$33,134	$14,000	$5,428	$0	$100,902	
SHERIDAN	WESTBY ELEM	76	$80,763	$0	$0	$0	$0	$80,763	
SHERIDAN	WESTBY H S	35	$143,221	$3,000	$0	$0	$0	$146,221	$796,406
SILVER BOW	BUTTE ELEM	3,686	$0	$300,000	$25,000	$0	$0	$325,000	
SILVER BOW	BUTTE H S	1,458	$0	$160,000	$15,000	$0	$0	$175,000	
SILVER BOW	DIVIDE ELEM	13	$0	$150	$0	$0	$0	$150	
SILVER BOW	MELROSE ELEM	21	$0	$150	$0	$0	$0	$150	
SILVER BOW	RAMSAY ELEM	138	$0	$2,100	$0	$0	$0	$2,100	$502,400
STILLWATER	ABSAROKEE ELEM	261	$0	$0	$0	$0	$0	$0	
STILLWATER	ABSAROKEE H S	132	$0	$0	$0	$0	$0	$0	
STILLWATER	COLUMBUS ELEM	398	$0	$10,000	$0	$0	$0	$10,000	
STILLWATER	COLUMBUS H S	143	$0	$4,000	$0	$0	$0	$4,000	
STILLWATER	FISHTAIL ELEM	35	$0	$200	$0	$0	$0	$200	
STILLWATER	MOLT ELEM	10	$430	$400	$0	$0	$0	$830	
STILLWATER	NYE ELEM	4	$0	$0	$0	$0	$0	$0	
STILLWATER	PARK CITY ELEM	231	$0	$0	$0	$0	$0	$0	
STILLWATER	PARK CITY H S	118	$0	$0	$0	$0	$0	$0	
STILLWATER	RAPELJE ELEM	46	$6,000	$200	$0	$0	$0	$6,200	
STILLWATER	RAPELJE H S	27	$6,000	$800	$0	$0	$0	$6,800	
STILLWATER	REEDPOINT ELEM	37	$0	$1,994	$0	$0	$0	$1,994	
STILLWATER	REEDPOINT H S	21	$0	$1,734	$0	$0	$0	$1,734	$31,758
SWEET GRASS	BIG TIMBER ELEM	321	$0	$10,500	$0	$0	$0	$10,500	
SWEET GRASS	BRIDGE ELEM	8	$0	$150	$0	$0	$0	$150	

OFFICE OF THE LEGISLATIVE AUDITOR

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03/11/93
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EXHIBIT 12
DATE 3-11-93
SB HB 667

FISCAL YEAR 1992-93 BUDGET
RE: SELECTED SOURCES OF NON LEVY REVENUE BY SCHOOL DISTRICT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
SWEET GRASS	GREYCLIFF ELEM	25	$0	$0	$0	$0	$0	$0	
SWEET GRASS	MCLEOD ELEM	7	$0	$0	$0	$0	$0	$0	
SWEET GRASS	MELVILLE ELEM	24	$0	$0	$0	$0	$0	$0	
SWEET GRASS	SWEET GRASS CO HS	199	$0	$17,324	$0	$0	$0	$17,324	$27,974
TETON	BYNUM ELEM	35	$0	$350	$0	$0	$0	$350	
TETON	CHOTEAU ELEM	317	$0	$13,151	$1,898	$0	$0	$15,049	
TETON	CHOTEAU H S	158	$17,924	$14,871	$1,774	$409	$0	$34,978	
TETON	DUTTON ELEM	107	$1,233	$3,000	$850	$0	$0	$5,083	
TETON	DUTTON H S	44	$750	$2,000	$1,200	$0	$0	$3,950	
TETON	FAIRFIELD ELEM	212	$0	$1,040	$425	$0	$0	$1,465	
TETON	FAIRFIELD H S	140	$0	$6,000	$1,000	$0	$0	$7,000	
TETON	GOLDEN RIDGE ELEM	30	$0	$550	$0	$0	$0	$550	
TETON	GREENFIELD ELEM	68	$0	$2,700	$0	$0	$0	$2,700	
TETON	PENDROY ELEM	12	$4,682	$190	$0	$0	$0	$4,872	
TETON	POWER ELEM	116	$0	$3,526	$0	$0	$0	$3,526	
TETON	POWER H S	49	$0	$3,797	$0	$0	$0	$3,797	$83,320
TOOLE	GALATA ELEM	16	$9,000	$0	$0	$0	$0	$9,000	
TOOLE	SHELBY ELEM	528	$32,282	$20,000	$2,000	$0	$0	$54,282	
TOOLE	SHELBY H S	206	$55,414	$15,000	$1,000	$0	$0	$71,414	
TOOLE	SUNBURST ELEM	226	$88,383	$2,700	$0	$0	$0	$91,083	
TOOLE	SUNBURST H S	96	$117,553	$6,000	$0	$0	$0	$123,553	$349,332
TREASURE	HYSHAM ELEM	130	$0	$4,281	$45	$0	$0	$4,326	
TREASURE	HYSHAM H S	50	$0	$5,069	$57	$0	$0	$5,126	$9,452
VALLEY	FRAZER ELEM	104	$603	$842	$0	$0	$0	$1,445	
VALLEY	FRAZER H S	35	$4,182	$435	$0	$0	$0	$4,617	
VALLEY	FT PECK ELEM	17	$0	$4,000	$0	$0	$0	$4,000	
VALLEY	GLASGOW ELEM	712	$0	$26,105	$0	$0	$0	$26,105	
VALLEY	GLASGOW H S	285	$0	$21,609	$0	$0	$0	$21,609	
VALLEY	HINSDALE ELEM	68	$25,557	$1,242	$0	$0	$0	$26,799	
VALLEY	HINSDALE H S	31	$42,931	$1,447	$0	$0	$0	$44,378	
VALLEY	LUSTRE ELEM	59	$8,145	$246	$0	$0	$0	$8,391	
VALLEY	NASHUA ELEM	134	$0	$2,838	$0	$0	$0	$2,838	
VALLEY	NASHUA H S	67	$0	$3,446	$0	$0	$0	$3,446	
VALLEY	OPHEIM ELEM	85	$0	$2,094	$0	$0	$0	$2,094	
VALLEY	OPHEIM H S	47	$0	$2,094	$0	$0	$0	$2,094	$147,816

FISCAL YEAR 1992-93 BUDGET
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SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
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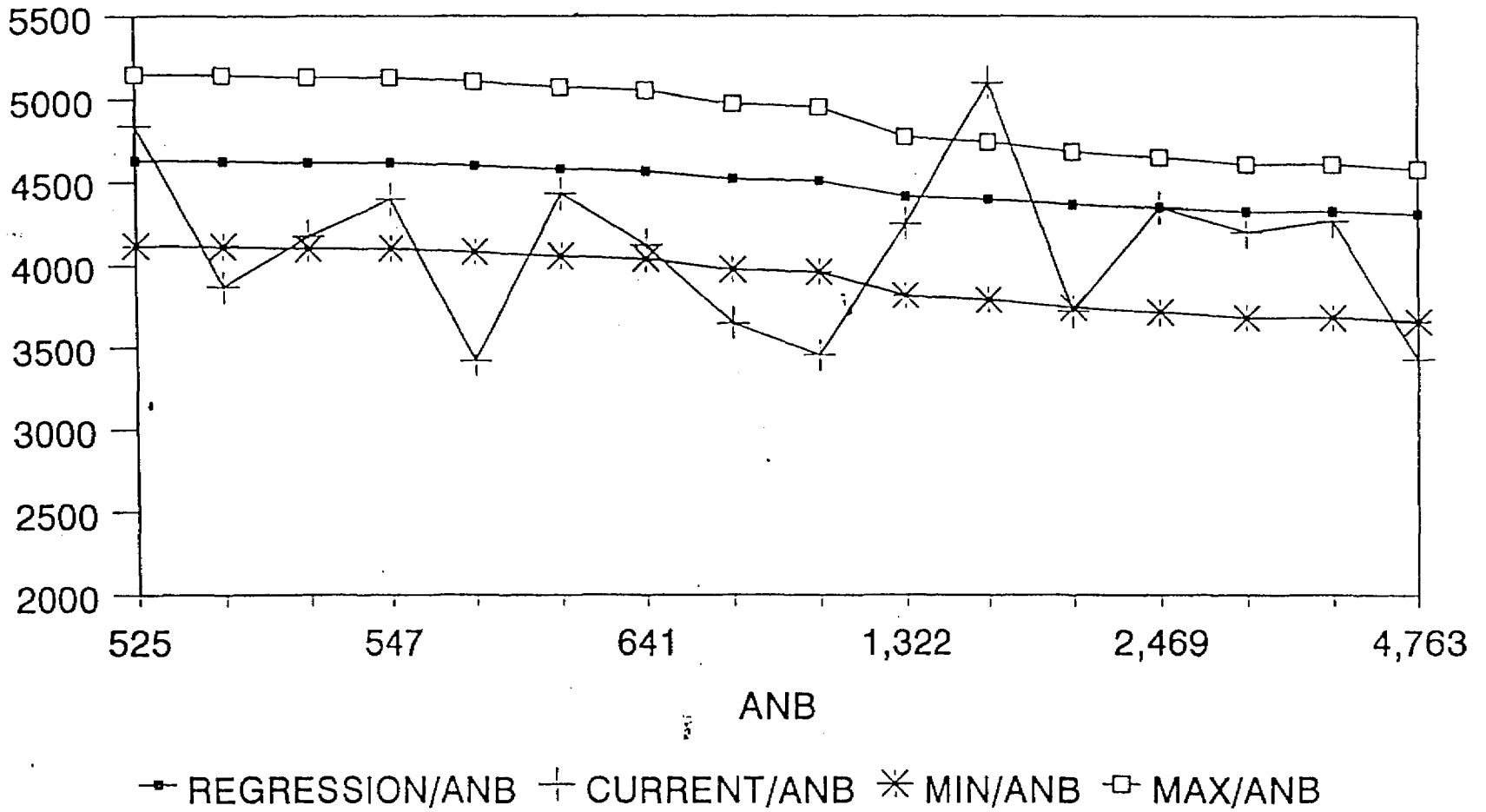
COUNTY	DISTRICT	TOTAL ANB	LGST	MOTOR VEHICLE	CORP LIC TAX	NET PROCEEDS TAX	COAL GROSS PROCEEDS	TOTAL	TOTAL BY COUNTY
WHEATLAND	HARLOWTON ELEM	202	$0	$6,629	$2,000	$0	$0	$8,629	
WHEATLAND	HARLOWTON H S	109	$0	$9,000	$1,000	$0	$0	$10,000	
WHEATLAND	JUDITH GAP ELEM	92	$0	$2,000	$0	$0	$0	$2,000	
WHEATLAND	JUDITH GAP H S	30	$0	$1,500	$0	$0	$0	$1,500	
WHEATLAND	SHAWMUT ELEM	11	$0	$0	$0	$0	$0	$0	
WHEATLAND	TWO DOT ELEM	8	$0	$0	$0	$0	$0	$0	$22,129
WIBAUX	WIBAUX ELEM	161	$121,321	$700	$0	$500	$0	$122,521	
WIBAUX	WIBAUX H S	77	$82,000	$350	$0	$500	$0	$82,850	$205,371
YELLOWSTONE	BILLINGS ELEM	10,251	$0	$409,826	$157,645	$0	$0	$567,471	
YELLOWSTONE	BILLINGS H S	4,613	$0	$214,087	$71,170	$0	$0	$285,257	
YELLOWSTONE	BLUE CREEK ELEM	98	$0	$130	$0	$0	$0	$130	
YELLOWSTONE	BROADVIEW ELEM	71	$0	$1,400	$0	$0	$0	$1,400	
YELLOWSTONE	BROADVIEW H S	41	$0	$1,000	$0	$0	$0	$1,000	
YELLOWSTONE	CANYON CRK ELEM	210	$0	$5,500	$0	$0	$0	$5,500	
YELLOWSTONE	CUSTER ELEM	70	$4,082	$1,400	$0	$0	$0	$5,482	
YELLOWSTONE	CUSTER H S	32	$2,898	$1,000	$0	$0	$0	$3,898	
YELLOWSTONE	ELDER GROVE ELEM	191	$0	$2,000	$0	$0	$0	$2,000	
YELLOWSTONE	ELYSIAN ELEM	96	$0	$1,000	$500	$0	$0	$1,500	
YELLOWSTONE	HUNTLEY PROJ ELEM	479	$0	$9,000	$0	$0	$0	$9,000	
YELLOWSTONE	HUNTLEY PROJ HS	184	$0	$6,500	$0	$0	$0	$6,500	
YELLOWSTONE	INDEPENDENT ELEM	164	$0	$2,600	$0	$0	$0	$2,600	
YELLOWSTONE	LAUREL ELEM	1,279	$800	$36,000	$3,000	$0	$0	$39,800	
YELLOWSTONE	LAUREL H S	570	$389	$16,000	$0	$0	$0	$16,389	
YELLOWSTONE	LOCKWOOD ELEM	1,152	$0	$11,848	$0	$0	$0	$11,848	
YELLOWSTONE	MORIN ELEM	32	$0	$140	$0	$0	$0	$140	
YELLOWSTONE	PIONEER ELEM	73	$0	$1,340	$0	$0	$0	$1,340	
YELLOWSTONE	SHEPHERD ELEM	510	$0	$4,500	$0	$0	$0	$4,500	
YELLOWSTONE	SHEPHERD H S	222	$0	$10,000	$0	$0	$0	$10,000	
YELLOWSTONE	YLSTN EDUCATION CNTR	13	$0	$0	$0	$0	$0	$0	$975,755
		151,137	$6,685,975	$5,867,363	$777,127	$362,800	$1,894,167	$15,587,432	$15,587,432

EXHIBIT 15
DATE 3-11-93
HB 1667

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (800 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (2500 STOP LOSS)

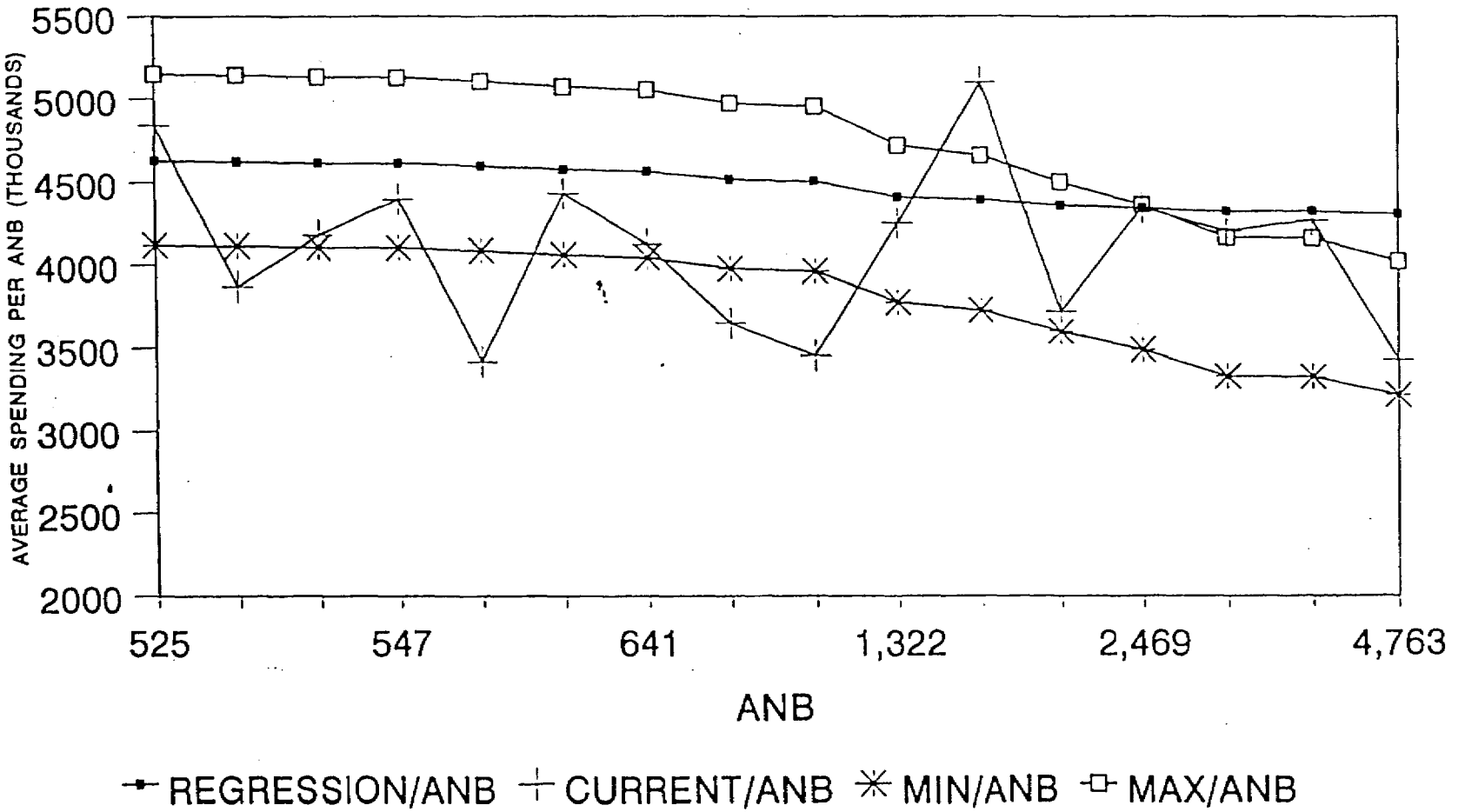
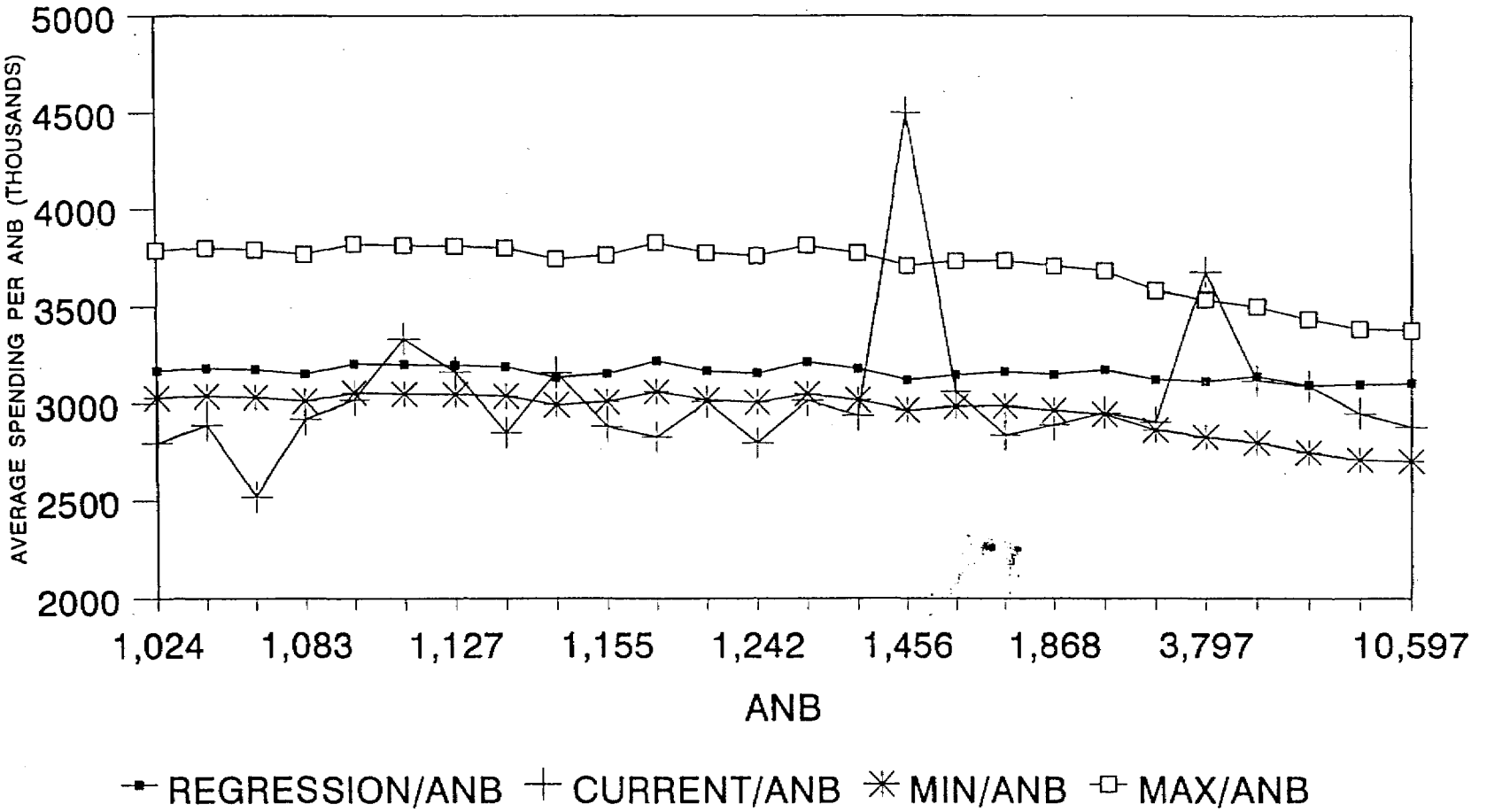
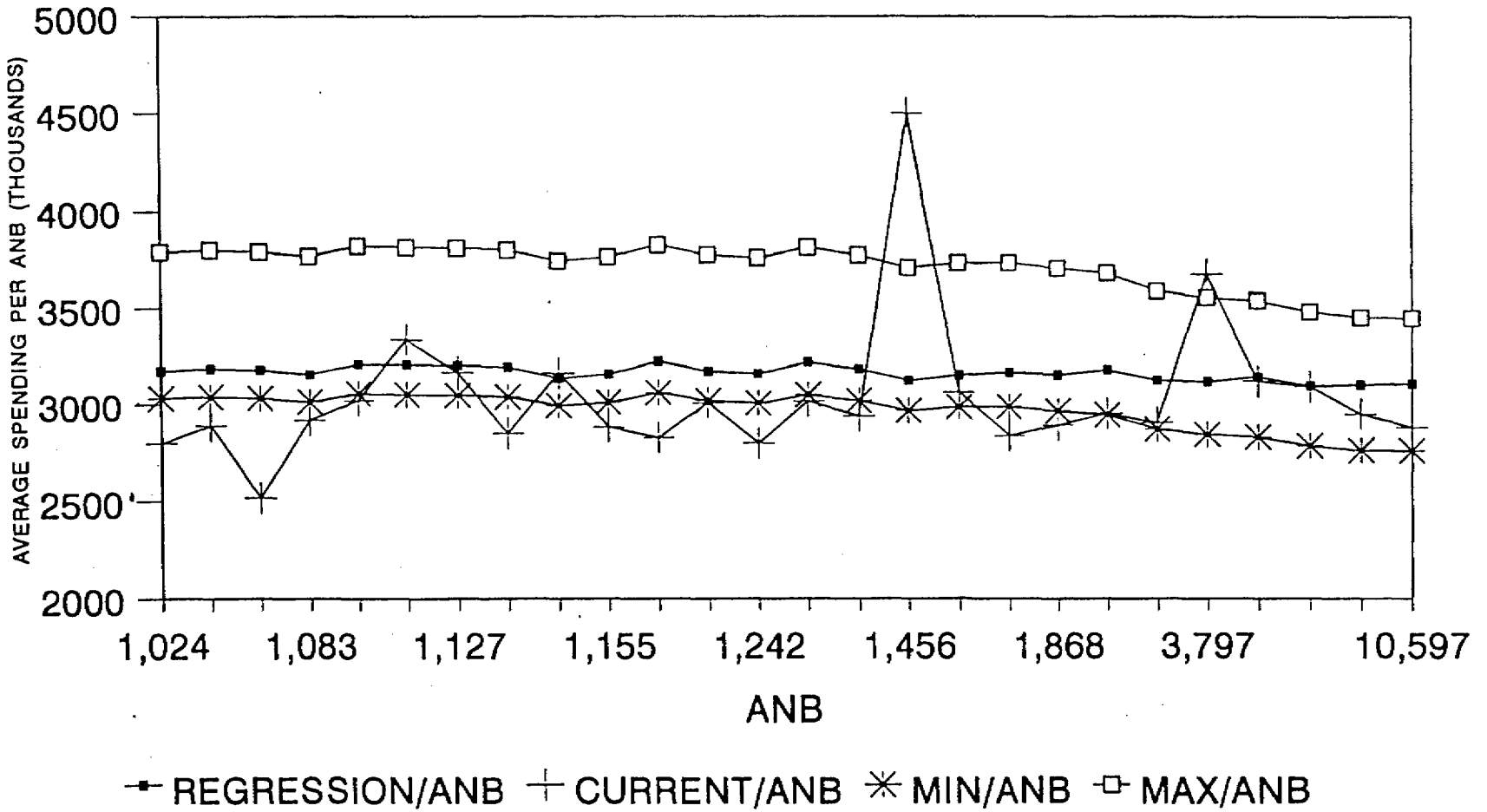


EXHIBIT 13
DATE 3-11-93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2500 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2000 STOP LOSS)



HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Select School Funding COMMITTEE BILL NO. HB 667

DATE 3-11-93 SPONSOR(S) R. Jagg

PLEASE PRINT **PLEASE PRINT** **PLEASE PRINT**

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Mary Hudspeth	Lincoln County Supt of Schools		
Dorothy Laird	Flathead Co. Supt. of Schools		
Lynne Jermunson	E. Helena Public Schools		
Ron Whitmoyer	E. Helena Public School		
~~Cliff Whitelatt~~	~~Land Management Council~~		✓
Pat Melby	Underfunded Schools	✓	
Chip Erdmann	MRSA		✓
Bill Wachatilo	Butte SD #1		✓
Jan Rushoja	Belgrade SAM	✓	
Cindy Swalstad	AFRT		
Larry Fasbender	Great Falls Public Schools	✓	
Rodney Snee	Hardin Public Schools		✓
Ernie Rees	MT School Superintendents Florence-Carlton Schools	✓	
Tim Mennington	School Dist #4 Missoula	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FUNDING

Call to Order: By **CHAIRMAN JOHN COBB**, on March 12, 1993, at 10:00 a.m.

ROLL CALL

Members Present:
Rep. John Cobb, Chairman (R)
Rep. Ray Peck, Vice Chairman (D)
Rep. Bill Boharski (R)
Rep. Russell Fagg (R)
Rep. Mike Kadas (D)
Rep. Dick Simpkins (R)

Members Excused: Rep. Angela Russell (D)
Rep. Dave Wanzenried (D)

Members Absent:

Staff Present: Andrea Merrill, Legislative Council
Eddye McClure, Legislative Council
Dori Nielson, Office of Public Instruction
Alyce Rice, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing:
Executive Action: HB 667, HB 665

CHAIRMAN JOHN COBB outlined the day's agenda.

EXECUTIVE ACTION - HB 667

Andrea Merrill discussed the technical amendments made after the previous day's hearing. She noted that staff had not had sufficient time to address the special education or impact aid issues.

REP. FAGG asked whether the bill needs a coordinating clause with SB 348 or whether that can be addressed by including that in the "Whereas" portion of the bill. **Ms. Merrill** listed three things needed: a "whereas" to discuss special ed melding within the bill; amendments placing special education into the bills; and a coordination clause at the end of the bill.

REP. SIMPKINS asked whether special ed ANB have been deleted from the bill. **Ms. Merrill** said that had not been done yet.

REP. BOHARSKI, discussing the coordinating clause which has been mentioned, asked whether it is needed for technical reasons or whether it somehow ties HB 667 to SB 348. **Ms. Merrill** said the coordinating clause would be written in such a way that, if HB 667 should fail, a set of amendments to deal with special ed in another fashion will be effective.

Motion/Vote: **REP. FAGG** moved that the technical amendments be adopted. **EXHIBIT 1** A voice vote was taken. Motion carried unanimously.

Motion: **REP. FAGG** moved his amendments. **EXHIBIT 2** These amendments would impose a budget freeze for high spending districts in the first year of implementation; require a reduction of 1% the second year, 2% the next year, and 3% each succeeding year until 100% maximum is achieved; and provide that the first two years' levies be permissive with voted levies after that.

REP. KADAS asked whether this amendment establishes that there will be no voted amount between the minimum and the maximum. **REP. FAGG** said no; this was just to get high spenders down to the 100%. **REP. KADAS** said that having a permissive area above maximum level seems to preclude a vote someplace lower. He said he would rather have a voted levy the second year rather than permissive for both years.

Motion/Vote: **REP. KADAS** made a substitute motion to change the permissive vote in the above maximum area to a voted levy in the second year. Voice vote taken. Motion failed 3-3.

Vote: A voice vote was taken on the original motion. The motion carried unanimously.

REP. SIMPKINS suggested that, given **SEN. HALLIGAN's** SB 348, everything related to special education should be taken out of HB 667. It should all be addressed in one bill.

Ms. Nielson said that the committee should not consider taking special education out of the school equalization equation. There is nothing else to cover special education. Delaying it for one year would not be a complication, but it has to be included in the formula.

REP. BOHARSKI suggested that, to keep this bill moving along the track started and to keep the numbers comparable, the committee should take those special education ANB out, keeping in mind that they will be added back with **SEN. HALLIGAN's** bill.

Motion: **REP. BOHARSKI** moved that special education ANB be deleted from HB 667.

REP. KADAS wanted clarification that the ANB to be deleted would be the ones the committee added several days earlier --those ANB who spend 50% of the time in special education.

REP. KADAS said that the whole point of the Select Committee was to get eight people together who had a background in the education funding system. He thought this committee needed to put together as strong a package as possible before it goes to the floor of the House. Special education is one of the biggest holes in the school equalization process. While he doesn't mind delaying it for a year, he believes it needs to be kept in this bill to limit the potential confusion over the total package.

REP. PECK questioned why the committee would want to reverse its action when the unanimous vote ten days prior was that special education students do count in the school equalization package.

REP. BOHARSKI reiterated that he does want those children counted; he agrees that they need to be counted. The reason for the motion is that comparing this structure with the current structure is easier without counting special ANB in this model. **REP. PECK** said he understood but that there are other items in this bill that are not strictly comparable with the current system, e.g., reserve funds.

REP. KADAS warned that, if special education isn't put in this package now, it's a $2.5 million cost. Money will have to be taken away from somewhere else to find that $2.5 million. If the committee does that now, it is essentially taking it away from everybody all at once to come up with the package. It's a lot easier politically to find the money right now in this process rather than wait.

REP. BOHARSKI withdrew his motion.

Motion/Vote: **REP. BOHARSKI** made a substitute motion that those special education ANB be included in the second fiscal year and on into the future. Voice vote was taken. Motion carried unanimously.

REP. KADAS discussed a graph on the pupil reduction factor (stop/loss) issue. **EXHIBIT 3** He had originally proposed $2,000 for each elementary ANB and $800 for each high school ANB. He believes that, even at this rate, the bigger schools will have less flexibility in relation to the regression line than anybody else. He wants to make it clear that this graph is the committee's justification for the expenditure per student curve. He believes the legislature has to begin to build a bit of a defense to the next court suit and to leave a record for future legislatures.

In order to pay for this, he needs to lower the direct state base to 40% and raise the guaranteed tax base to 40%, so the per school amount goes to a 40-40 split, and the per student amount

is a 40-40 split. Then the GTB is given at about 215% of the state average taxable value.

Motion/Vote: **REP. KADAS** moved that the stop/loss be set at $1,000 for each high school ANB $2,000 for each elementary ANB. Voice vote was taken. Motion carried unanimously.

REP. BOHARSKI agrees with the figures **REP. KADAS** has shown, but is concerned about taking money from elementary schools to give to high schools. Going with $2,000 for elementary and $1,250 for high school saves almost $1 million; this will have less of a negative impact on elementary districts and less of a positive impact on high school districts. In the interest of keeping that somewhat similar, he would like to see the committee adopt $2,000 stop loss for elementary and $1,250 stop/loss for high schools.

REP. KADAS said HB 28 helped the big elementary districts, not the big high schools. He said the committee needs to base what it does on the regression line. **EXHIBIT 3** Even at $1,000/$2,000, the biggest elementary and high schools are still lower in relation to the regression line than everybody else and this shows equity is possible.

Motion/Vote: **REP. BOHARSKI** moved that the stop/loss be set at $1,250 for high school, $2,000 for elementary. Voice vote was taken. Motion failed with **REP. BOHARSKI** voting yes.

REP. KADAS discussed the non-levy revenue issue, which affects what happens to mills, not budgets. If other assumptions remain the same, his amendments could generate $9 million per year of extra revenue and equalized the existing tax base.

CHAIRMAN COBB asked **REP. KADAS** to make this presentation before the education committee on Monday.

Motion: **REP. BOHARSKI** moved his amendment on an optional choice to offer a levy election for approval to spend above the minimum level. **EXHIBIT 4**

Discussion: **REP. PECK** voiced his concern that, with this amendment, a district during negotiations won't have the defense of budget limitation. This would influence the negotiations situation fairly markedly.

REP. BOHARSKI said he believed the option should be left to local school boards if they want to vote in this area.

Vote: Voice vote was taken. Motion carried 4-2 with **CHAIRMAN COBB and REP. SIMPKINS** voting no.

Motion/Vote: **REP. BOHARSKI** moved his amendment on discontinuing for one year the need to vote authority to spend in the over-maximum area. **EXHIBIT 5** Voice vote was taken. Motion carried unanimously.

REP. KADAS asked why the committee has to allow a permissive levy in this coming year if a district is over the maximum budget.
REP. FAGG answered that it will make the transition smoother.
REP. SIMPKINS added that by the time this bill is law the levies for the current system would already be voted on.

Scott Seacat, Legislative Auditor, added that not every district is voting a levy right now and that those districts might wait to see what the legislature is going to do. Asking them to implement this on July 1 may not give them the opportunity to schedule an election, or the trustees may not want to spend $20,000 to have a special election to vote an over-maximum amount.
REP. KADAS asked, if the problem is the time frame of the voting structure, why the legislature can't extend that voting window for another month or two. **Mr. Gillett** explained that current law requires districts to adopt their final budgets by the fourth Monday in July, and this would have to be changed.

Ms. Nielson suggested the human factor was important. Districts have contracts, teachers, etc. If the legislature wants to implement this bill this year, then it should give the districts the flexibility they need.

REP. PECK asked whether the committee is in agreement that this bill should be implemented the first year. He said, even though it is in the bill, it is a mistake.

Motion: **REP. KADAS** moved to amend **REP. FAGG's** earlier motion to require a vote beginning in the second year of the biennium on any budgeted amount above 90%.

Discussion:
Mr. Seacat explained that, under **REP. KADAS's** motion, the first year the district will be frozen and the amount between the current budget and the over-maximum amount would be a permissive levy. In the second year the district will come down 1% and the amount between the old budget less 1%, not only to the maximum but down to 90%, will be voted. The third year it would be 2% and down to the 90% voted and the fourth year and thereafter it would be down 3% to the maximum and the difference between maximum and 90% would be voted.

REP. KADAS said he was not so concerned about the districts that are over maximum and their having to go down because their mills ought to be going down. The districts he's concerned about are the districts between 90 and 100 where mills are going up. He is concerned about leaving that entirely permissive.

Mr. Seacat clarified that there is a budget cap now on those schools between 80 and 100% of 4% growth. If the committee wants additional controls, then it would be interested in voting the 90% and above area. But if the committee buys the philosophy that between the category of 80 and 100%, from a legislative

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
SELECT COMMITEE ON SCHOOL FUNDING

ROLL CALL

DATE 3/12/93

NAME	PRESENT	ABSENT	EXCUSED
JOHN COBB, CHAIRMAN	✓		
RAY PECK, VICE CHAIRMAN	✓		
BILL BOHARSKI	✓		
RUSSELL FAGG	✓		
MIKE KADAS	✓		
ANGELA RUSSELL			✓
DICK SIMPKINS	✓		
DAVE WANZENRIED			✓

HR:1993
wp.rollcall.man
CS-09

Compiled by Andrea Merrill, Legislative Council
following Mar 12 meeting

HOUSE SELECT COMMITTEE ON EDUCATION

HB 667 EXECUTIVE ACTION -- MARCH 12, 1993

1. Changed the mix of state aid for the minimum or "BASE funding level" to:
   (a) 40% direct state aid for base entitlement and per-ANB amount
   (b) 40% guaranteed tax base aid for base entitlement and per-ANB amount
   (c) GTB mill guarantee to 303% of state TV (250% x 1.21)
   (d) Bill remains "state cost neutral"
2. Districts budgeting below the 80% minimum level are required to reach minimum in 5 years but growth is capped at greater of:
   (a) 104% of prior budget;
   (b) 104% of prior budget per-ANB; or
   (c) 20% of the range between current budget and minimum level
3. Delayed including any special education ANB within the plan (and the calculations) until 2nd year of biennium. Also made technical corrections in 20-9-321, etc. to better coordinate HB 667 with SB 348, Halligan, authorizing full-time special education pupils to be regularly enrolled for ANB purposes.
4. Changed the point at which the district ANB count is no longer subject to the reducer on the per-ANB amount (i.e., the "stop/loss" is now at 1,000 ANB for high school districts and 2,000 ANB for elementary districts)
5. Required districts above the maximum level to:
   (a) freeze budget growth for 1st year and reduce over-maximum budgets by 1% for the 2nd year -- voted levy election not required for those two years
   (b) reduce budget growth for 3rd year by 2% and thereafter by 3% until maximum level is reached -- voted levy required
6. Allow districts budgeting between the minimum or "BASE funding level" and the maximum budget level the option of seeking voter approval to increases in that 20% range
7. Added "WHEREAS" language to allow the Office of Public Instruction to expedite the implementation of HB 667
8. Created an impact aid fund to remove P.L. 81-874 from general fund

EXHIBIT 1
DATE 3/12/93
HB 667

Amendments to House Bill No. 667
1st Reading Copy

Requested by Representative Cobb
For the Select Committee on Education

Prepared by Andrea Merrill
March 10, 1993

ADD WHEREAS CLAUSES REGARDING:
OPI IMPLEMENTATION WITHOUT RULEMAKING
ELECTRONIC REPORTING IF POSSIBLE
HELP FROM LEGISLATIVE AUDITOR'S OFFICE
COORDINATION WITH OTHER SPECIAL EDUCATION BILLS

CREATE IMPACT AID FUND AS IN SB 432
COORDINATION CLAUSE WITH SB 438

1. Title, page 2, line 13.
Following: "20-9-347,"
Insert: "20-9-348,"

2. Title, page 2, line 16.
Strike: "20-9-348,"

3. Page 43, lines 16 and 17.
Strike: "Budgeting" on line 16 through "expenditures" on line 17
Insert: "Expenditures"

4. Page 44, line 2.
Strike: "amount".
Insert: "payment"

5. Page 51, line 13.
Strike: "amount"
Insert: "payment"

6. Page 51, line 15.
Strike: "amount"
Insert: "payment"

7. Page 52, line 10.
Strike: "amount"
Insert: "payment"

8. Page 53,, line 16.
Strike: "amount"
Insert: "payment"

9. Page 54, lines 10 through 14.
Following: line 9
Strike: lines 10 through 14 in their entirety
Renumber: subsequent subsection

10. Page 54, line 15.

Following: "~~program~~"
Strike: remainder of line 15

11. Page 54, line 16.
Following: "education"
Insert: "budget amount"

12. Page 61, line 17.
Following: "county"
Insert: "that has sent a final budget to the superintendent of public instruction in accordance with the provisions od 20-9-134"

13. Page 62, line 7.
Following: line 6
Insert: "**Section 24.** Section 20-9-346, MCA, is amended to read:

"**20-9-346. Duties of the superintendent of public instruction for state equalization aid distribution.** The superintendent of public instruction shall administer the distribution of the state equalization aid by:

(1) establishing the annual entitlement of each district and county to state equalization aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the state equalization aid allocation procedure prescribed in 20-9-347;

(2) distributing by ~~state warrant or~~ electronic transfer the state equalization aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for state equalization aid, state advances for county equalization, and the entitlements for state equalization aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for state equalization aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of state equalization aid during the preceding 2 school fiscal years;

(b) the amount of state equalization aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for state equalization aid; and

(e) the amount of state advances and repayment for county equalization.""
Renumber: subsequent sections

14. Page 65, line 5.
Following: line 4

Insert: "**Section 26.** Section 20-9-348, MCA, is amended to read:

"**20-9-348. Estimation of state equalization aid for budget purposes.** The apportionment of state equalization aid ~~shall be~~ is the second source of revenue in calculating the financing of the elementary district ~~foundation~~ BASE funding program and the high school district ~~foundation~~ BASE funding program. In order to allow for the estimation of the amount of money to be realized from this source of revenue when the county superintendent is estimating the general fund budget revenues, the county superintendent shall consider that the state ~~foundation program revenues~~ equalization aid money and county equalization ~~moneys~~ money, together, will be capable of financing 100% of the ~~foundation~~ BASE funding program.""
Renumber: subsequent sections

15. Page 72, line 8.
Following: "20-9-320,"
Insert: "and"
Following: "20-9-322,"
Strike: "and 20-9-348,"

16. Page 72, line 12.
Following: "20-9-333,"
Insert: "20-9-335,"

17. Page 72, line 21.
Following: "cost"
Insert: "payment"

EXHIBIT 2
DATE 3/12/93
HB 667

Amendments to House Bill No. 667
1st Reading Copy

Requested by Representative Fagg
For the Select Committee on Education

Prepared by Andrea Merrill
March 11, 1993

1. Title, page 2, lines 5 and 6.
Following: "TO" on line 5
Strike: line 5 through "YEAR" on line 6
Insert: "PHASE IN BUDGET REDUCTIONS OVER A 5-YEAR PERIOD, STARTING WITH A BUDGET FREEZE IN THE FIRST YEAR OF IMPLEMENTATION,"

2. Title, page 2, line 9.
Following: "BUDGET"
Insert: ", WITH AN EXEMPTION FROM THE VOTER APPROVAL REQUIREMENT FOR THE FIRST 2 YEARS OF IMPLEMENTATION"

3. Page 8, line 13.
Strike: "greater"
Insert: "greatest"

4. Page 8, line 14.
Following: "(i)"
Insert: "for the school fiscal year beginning [on the effective date of this act], the district's general fund budget for the immediately preceding school fiscal year or the general fund budget per-ANB for the immediately preceding school fiscal year multiplied by the current year's ANB for budgeting purposes;

(ii) for the second school fiscal year following [the effective date of this act], 99% of the district's general fund budget for the immediately preceding school fiscal year or 99% of the general fund budget per-ANB for the immediately preceding school fiscal year multiplied by the current year's ANB for budgeting purposes;

(iii) for the third school fiscal year following [the effective date of this act],"

5. Page 8, line 15.
Following: "year"
Insert: "or 98% of the general fund budget per-ANB for the immediately preceding school fiscal year multiplied by the current year's ANB for budgeting purposes;

(iv) for the fourth and succeeding school fiscal years following [the effective date of this act], 97% of the district's general fund budget for the immediately preceding school fiscal year or 97% of the general fund budget per-ANB for the immediately preceding school fiscal year multiplied by the current year's ANB for budgeting purposes;
Renumber: subsequent subsection

6. Page 8, line 18.
Strike: "The"
Insert: "Except for the first 2 school fiscal years following [the effective date of this act] during which no election for an additional levy is required, the"

7. Page 66, line 12.
Strike: "When"
Insert: "Except as provided in [section 3 (3)(b)], when"

EXHIBIT 3
DATE 3/12/93
HB 667

HOUSE SELECT COMMITTEE ON EDUCATION

HB 667 EXECUTIVE ACTION -- MARCH 12, 1993

1. Changed the mix of state aid for the minimum or "BASE funding level" to:
   (a) 40% direct state aid for base entitlement and per-ANB amount
   (b) 40% guaranteed tax base aid for base entitlement and per-ANB amount
   (c) GTB mill guarantee to 303% of state TV (250% x 1.21)
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3. Delayed including any special education ANB within the plan (and the calculations) until 2nd year of biennium. Also made technical corrections in 20-9-321, etc. to better coordinate HB 667 with SB 348, Halligan, authorizing full-time special education pupils to be regularly enrolled for ANB purposes.
4. Changed the point at which the district ANB count is no longer subject to the reducer on the per-ANB amount (i.e., the "stop/loss" is now at 1,000 ANB for high school districts and 2,000 ANB for elementary districts)
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6. Allow districts budgeting between the minimum or "BASE funding level" and the maximum budget level the option of seeking voter approval to increases in that 20% range
7. Added "WHEREAS" language to allow the Office of Public Instruction to expedite the implementation of HB 667
8. Created an impact aid fund to remove P.L. 81-874 from general fund

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (800 STOP LOSS)

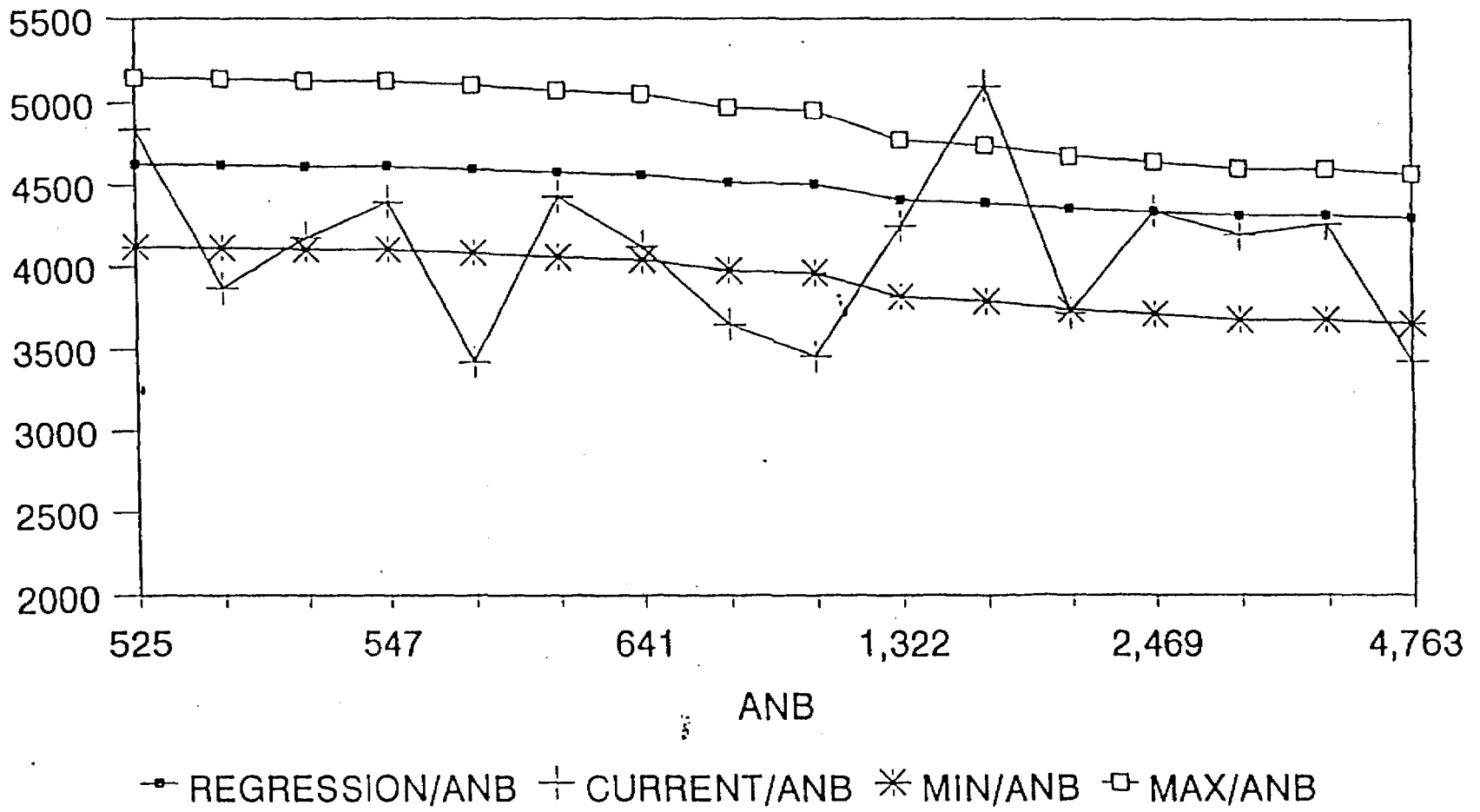
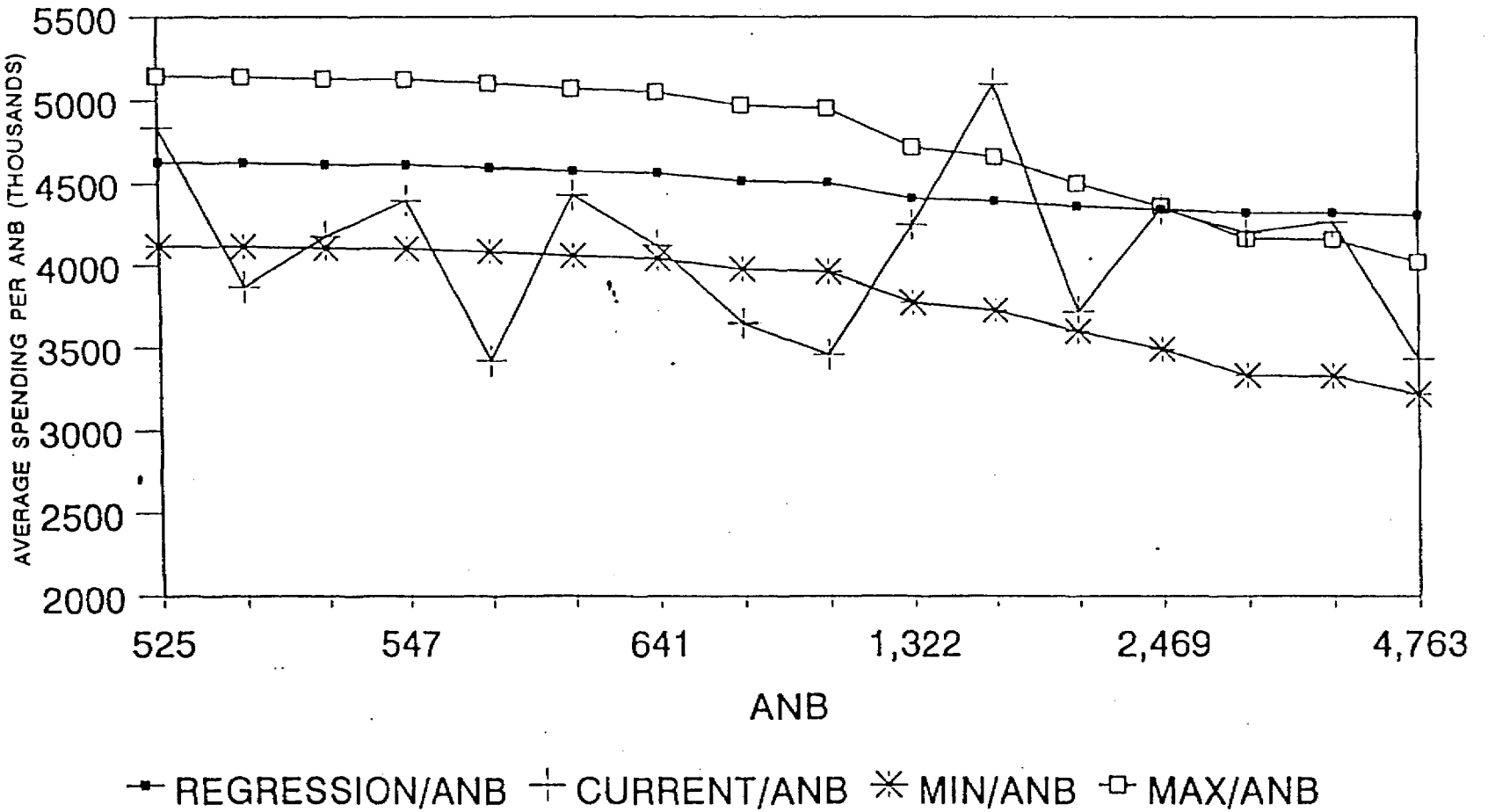


EXHIBIT 3
DATE 3-12-93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (2500 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2000 STOP LOSS)

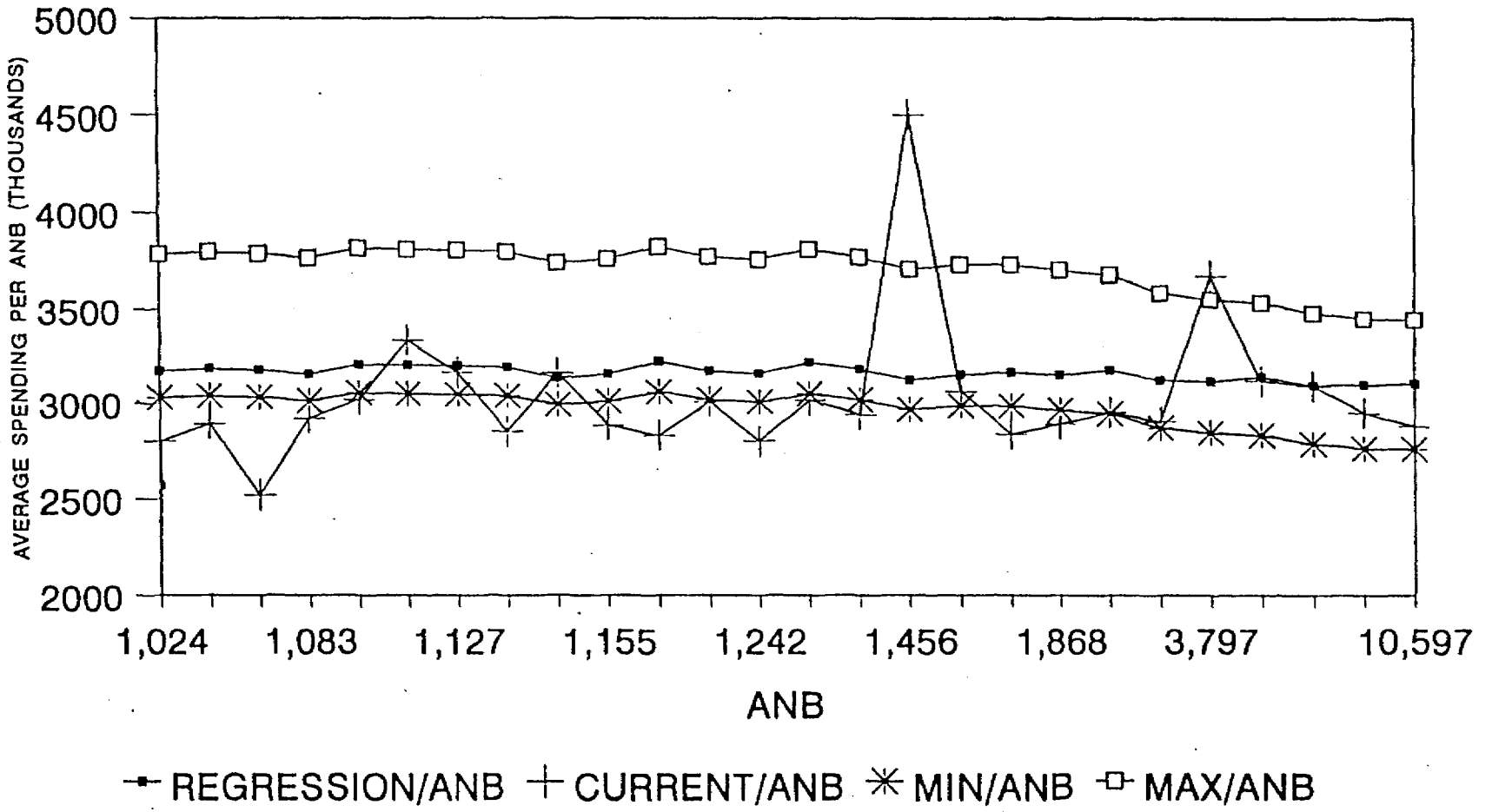
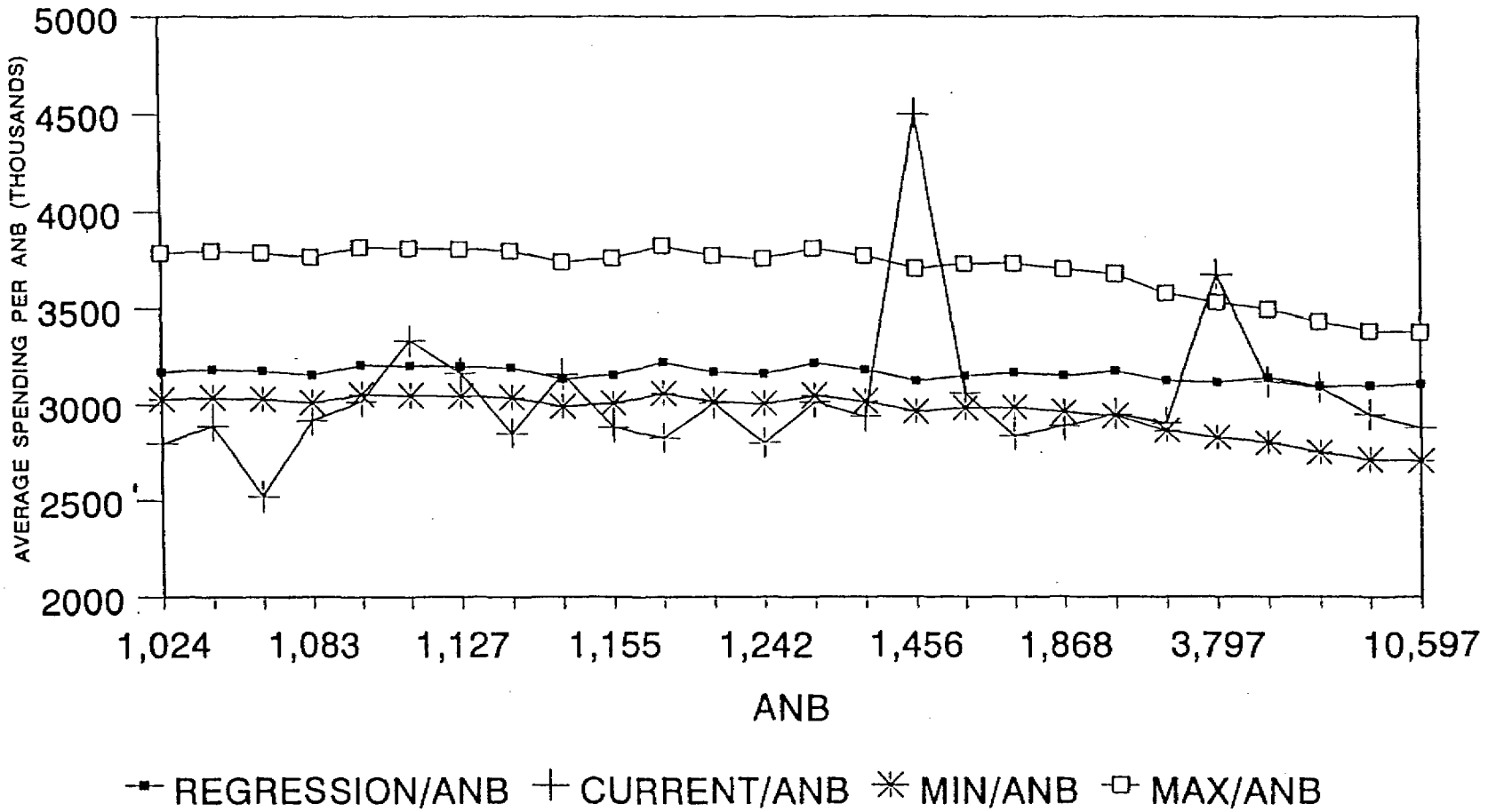


EXHIBIT 3
DATE 3-12-93
HB 662

OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2500 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
COST DECISION MATRIX FOR HOUSE SELECT COMMITTEE
12-Mar-93
09:55 AM

EXHIBIT 3
DATE 3/12/93
HB 667

HIGH SCHOOL STOP LOSS	ELEMENTARY STOP LOSS 2,500	2,000	1,500
2,500	($149,135)	$990,310	$2,349,117
1,500	$2,037,606	$3,177,231	$4,536,038
1,250	$2,781,255	$3,920,880	$5,279,686
1,000	$3,709,985	$4,849,609	$6,208,416
800	$4,586,865	$5,726,490	$7,085,296

CHANGING ONLY THE PER STUDENT REDUCTION FACTORS TO .10 FOR ELEMENTARY AND .25 FOR HIGH SCHOOL WILL COST THE STATE $9,910,997 WITH STOP LOSS AT 2,500/2,500. THE COST WITH STOP LOSS AT 1,500/800 IS $12,944,993.

ALLOWING LOW SPENDERS TO INCREASE THEIR BUDGETS TO THE 80% MANDATORY LEVEL IN ONE YEAR WILL COST THE STATE $6,187,035 AT STOP LOSS OF 2,500/2,500 AND WILL COST THE STATE $13,986,308 AT STOP LOSS OF 1,500/800.

EXHIBIT 4
DATE 3/12/93
HB 667

Amendments to House Bill No. 667
1st Reading Copy

Requested by Representative Boharski
For the Committee on Education

Prepared by Andrea Merrill
March 12, 1993

1. Title, line 22.
Strike: "WITHOUT"
Insert: "WITH THE OPTION OF"

2. Page 9, line 25.
Following: line 24
Insert: "(6) Whenever the trustees of a district adopt a general fund budget under the provisions of subsection (5), they may submit a proposition on the over-BASE budget levy to the electors of the district as provided in 20-9-353."

3. Page 68, line 6.
Following: line 5
Insert: "(5) If the trustees of a district choose to submit a proposition for an over-BASE budget levy to the electors of the district as provided in [section 3], the trustees shall comply with the provisions of subsection (2) through (4)."

EXHIBIT 5
DATE 3/12/93
HB 667

Amendments to House Bill No. 667
1st Reading Copy

Requested by Representative Boharski
For the Select Committee on Education

Prepared by Andrea Merrill
March 11, 1993

1. Title, page 1, lines 10 and 11.
Following: "DISTRICT" on line 10
Strike: remainder of line 10 through "YEARS" on line 11

2. Title, page 1, line 23.
Strike: "ABOVE THE BASE BUDGET AND"

3. Page 7, line 24 through page 8, line 5.
Following: "district" on page 7, line 24
Strike: line 24 through "may" on page 8, line 5
Insert: "shall"

4. Page 8, line 6.
Strike: "subsection"
Insert: "subsections"

5. Page 8, line 7.
Following: "(5)(a)"
Insert: " and (5)(b)"

EXHIBIT 9
DATE 3/12/93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
SELCOMM3.WK1
12-Mar-93
12:01 PM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	301	25	29
HS	0	0	140	21	3
TOTAL SCHOOLS	0	0	441	46	32
ELEM ANB	0	0	103,854	3,213	1,456
HS ANB	0	0	36,544	5,277	793
TOTAL ANB	0	0	140,398	8,490	2,249

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UNSUBSIDIZED PERCENTAGE - BASE			20.00%
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GUARANTEE PERCENTAGE - PER STUDENT			40.00%
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	MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET				
	MILLS DOWN		MILLS UP		
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ELEM	64	62	82	77	70
HS	29	56	42	22	15
TOTAL SCHOOLS	93	118	124	99	85
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UNSUBSIDIZED PERCENTAGE - BASE			20.00%
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STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	154	121	80
HS	58	60	46
TOTAL SCHOOLS	212	181	126
ELEM ANB	34,999	61,249	12,275
HS ANB	16,336	20,217	6,061
TOTAL ANB	51,335	61,466	18,336

9
3-12-93
HB 662

EXHIBIT 10
DATE 3/12/93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
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STATE SUPPORT PERCENTAGE - BASE			45.00%
GUARANTEE PERCENTAGE - BASE			35.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			45.00%
GUARANTEE PERCENTAGE - PER STUDENT			35.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			195.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,977,527		
STATE SUPPORT DIFFERENCE	$116,192	($2,560,900)	$2,677,092
STATE EQUALIZATION %	88.94%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	301	25	29
HS	0	0	140	21	3
TOTAL SCHOOLS	0	0	441	46	32
ELEM ANB	0	0	103,854	3,213	1,456
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TOTAL ANB	0	0	140,398	8,490	2,249

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BASE ENTITLEMENT		$18,000	$200,000
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MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
	MILLS DOWN		MILLS UP		
NUMBER OF SCHOOLS/ANB	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10 LESS THAN 20	MORE THAN 20
ELEM	51	79	97	72	56
HS	25	57	57	19	6
TOTAL SCHOOLS	76	136	154	91	62
ELEM ANB	20,700	46,453	29,076	7,333	4,961
HS ANB	5,718	29,663	5,704	1,237	292
TOTAL ANB	26,418	76,116	34,780	8,570	5,253

EXHIBIT 10
DATE 3-12-93
SB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
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TOTAL ANB	51,335	81,466	18,336

EXHIBIT 11
DATE 3-12-93
HB 667

MEMORANDUM

The attached packet of information illustrates the impact of the House Select Committee's March 12, 1993, actions on House Bill 667. School districts' fiscal year 1992-93 budgets have been **restated** as though HB 667 had been in effect for fiscal year 1992-93. The packet includes an overview of the Equalization Model, definitions of terms used in the model and HB 667, statistic sheets, and a district listing.

House Bill 667, as amended by the Select Committee, provides state support in the manner outlined on the "Listing of Spreadsheet Data Element Assumptions." Following is an explanation as to why some of the data elements are set where they are.

1. The required low spender growth is set at 20% of the difference between fiscal year 1992-93 budget and the mandatory level; and the estimated district budget growth is set at 0%. HB 667 provides budget growth for these districts to the greater of the 20% difference, 104% of the prior year's budget, or 104% of the prior year's budget per ANB. However,the estimated budget growth is set at 0% because this is a restatement of fiscal year 1992-93 and not a projection to a future fiscal year. The attached spreadsheet assumes districts have already increased their fiscal year 1992-93 budgets to the extent desired and allowed under existing statutes.

2, The "required high spender reduction" was set at 0% because HB 667 was amended to freeze those districts (i.e. those whose fiscal year 1992-93 budgets exceed the calculated maximum under HB 667) at the fiscal year 1992-93 level for the first year of implementation. Any projection to fiscal year 1993-94 would also set these districts' budgets at the fiscal year 1992-93 level.

Again, the attached spreadsheet is a restatement of fiscal year 1992-93 budgets and is not intended to indicate budget or mill impacts on future fiscal years.

Explanation of School Funding Equalization Model

The school funding equalization model developed by the Office of the Legislative Auditor was prepared at the request of the Speaker and certain members of the House Select Committee on School Funding. The objective was to give the legislature a picture of the possible effects of an equalized funding system for schools.

The two primary equalization issues facing the state are "spending disparities" between similarly sized districts and "wealth neutrality" issues between districts because of differences in property tax values in various districts.

The model which was developed equalizes school budgets by providing for maximum school general fund budgets which will be established by formula in law. The primary factor in computing those budgets would be a per student factor, multiplied by the number of students attending the schools of the district. In addition each district would receive a "base entitlement" which would be the same for each district, regardless of its number of students. The base entitlement and per student allocation factors are different for elementary and high school districts. Each district would be required to budget at least eighty percent of the amount computed based on the factors included in the law.

The state would provide school districts with support for the required general fund budget amount (the eighty percent level) through a combination of direct state payments and guaranteed tax base subsidies. The remaining portion of the budget, if the districts choose to budget above the required level, would be paid from local district resources not subsidized by the state.

The major differences between this model and the current system are listed below:

1. Maximum school general fund budgets are established by the legislature through a formula included in the law.

2. Required school general fund budgets are established in law at eighty percent of the maximum general fund budget.

3. Through the expanded use of guaranteed tax base aid along with direct state payments the property tax base disparities between school districts are further mitigated.

4. Spending disparities are limited to acceptable levels because of the maximum and mandatory spending levels required by law.

5. For those districts whose current budgets are above the maximum or below the mandatory budget level the effects of the system change are phased in over a period of years.

March 12, 1993

Office of the Legislative Auditor
School Funding Analysis Definitions

Base Entitlement - Minimum amount each School District will receive if in operation. Elementary schools having both elementary and jr. high ANB receive a prorated base. For example, if there are 75 elementary and 25 jr. high ANB, the district would be allocated the total of 75/100 of the elementary base and 25/100 of the high school base.

Per Student Allocation - Amount each School District receives per ANB. Jr. High per student allocation is allocated based on the high school amount.

Per Student Reduction Factor - The amount of money the per student allocation is reduced for each additional ANB.

State Support Percentage (Base) - The state's direct share of the base entitlement.

Guarantee Percentage (Base) - The portion of the base amount the state will subsidize through guaranteed tax base.

Unsubsidized Percentage (Base) - The portion of the base amount that is unsubsidized (local option to fund).

State Support Percentage (Per Student) - The state's direct share of the per student allocation.

Guarantee Percentage (Per Student) - The portion of the per student allocation the state will subsidize through the guaranteed tax base.

Unsubsidized Percentage (Per Student) - The portion of the per student allocation that is unsubsidized (local option to fund).

Mill Guarantee Percent of Current (Guaranteed Mill Value) - The factor applied to the current guarantee for permissive mills. The current statutory guarantee is 121% of the statewide average mill value per ANB.

Required Low Spender Growth - The percentage of the difference between the current budget and the mandatory spending limit by which the district is required to increase its budget for the subsequent year. This factor is applied to those districts whose FY93 budgets fall below the new mandatory budget.

Required High Spender Reduction - The percentage by which the district must decrease its FY93 budget for the subsequent year. This factor is applied to those districts whose FY93 budgets exceed the new maximum budget. In the current version of the bill, there is no required reduction for the first year, 1% for the second year, 2% for the third year, and 3% for each year thereafter.

Estimated District Budget Growth - The percentage by which districts whose budgets fall between the new maximum and new mandatory budgets are estimated to increase for the following year. The districts cannot exceed the new maximum budget. This factor is set at zero in the attached spreadsheet because it is a restatement of the FY93 budgets which already contain the districts' budget growth.

Maximum Per Student Reduction ANB - The level at which the per student reduction factor is no longer used.

Current FY93 GF Budgets - FY93 districts' general fund budgets less special education allowable costs and P.L. 81-874.

Total Simulated GF Budgets - The maximum simulated FY93 budget.

Old State Support - Foundation schedules plus GTB subsidy.

New State Support - The state's share as calculated by the direct state support and GTB subsidy on base and per student allocations.

State Equalization % - The percent of dollars supporting the maximum general fund budget which are provided or guaranteed by the state, including nonlevy revenue used in lieu of guaranteed mills.

EXHIBIT 11
DATE 3-12-93
HB 667

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PER STUDENT REDUCTION FACTOR		$0.20	$0.50
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REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	154	121	80
HS	58	60	46
TOTAL SCHOOLS	212	181	126
ELEM ANB	34,999	61,249	12,275
HS ANB	16,336	20,217	6,061
TOTAL ANB	51,335	81,466	18,336

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

EXHIBIT 11
DATE 3-12-93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	458	$1,853,069	$1,812,844	$1,832,975	$1,873,220	$20,131	-12.94	77.02%		
BEAVERHEAD	DILLON ELEM	1,048	$3,170,993	$3,029,658	$3,060,671	$3,202,006	$31,013	-7.93	77.68%		
BEAVERHEAD	GRANT ELEM	26	$77,670	$77,670	$79,566	$79,566	$1,896	10.24	73.04%		
BEAVERHEAD	JACKSON ELEM	25	$76,774	$76,774	$78,289	$78,289	$1,516	5.76	74.25%		
BEAVERHEAD	LIMA ELEM	75	$299,565	$291,106	$291,106	$299,565	$0	21.08	81.20%		
BEAVERHEAD	LIMA H S	37	$284,223	$281,167	$285,888	$288,944	$4,721	4.09	75.24%		
BEAVERHEAD	POLARIS ELEM	12	$36,557	$36,557	$38,844	$38,844	$2,286	1.54	64.75%		
BEAVERHEAD	REICHLE ELEM	19	$71,667	$71,667	$71,667	$71,667	$0	23.19	84.85%	*	
BEAVERHEAD	WISDOM ELEM	45	$140,000	$124,595	$127,724	$143,129	$3,129	10.28	75.05%		
BEAVERHEAD	WISE RIVER ELEM	26	$77,796	$77,796	$79,666	$79,666	$1,870	7.69	73.13%	*	
BIG HORN	COMMUNITY ELEM	30	$87,716	$87,716	$89,839	$89,839	$2,123	10.40	73.09%	*	
BIG HORN	HARDIN ELEM	1,135	$4,793,690	$3,645,285	$3,645,285	$4,793,690	$0	11.83	88.70%	*	
BIG HORN	HARDIN H S	382	$2,719,397	$2,292,970	$2,292,970	$2,719,397	$0	0.00	110.46%	*	**
BIG HORN	LODGE GRASS ELEM	385	$2,751,602	$1,895,339	$1,895,339	$2,751,602	$0	0.00	116.09%	*	
BIG HORN	LODGE GRASS H S	153	$1,919,482	$1,219,089	$1,219,089	$1,919,482	$0	0.00	116.74%	*	
BIG HORN	PLENTY COUPS HS	42	$616,704	$325,062	$325,062	$616,704	$0	-11.42	88.48%		
BIG HORN	PRYOR ELEM	42	$300,865	$44,198	$71,830	$328,497	$27,632	-57.35	67.79%		
BIG HORN	SQUIRREL CRK ELEM	9	$70,006	$70,006	$70,006	$70,006	$0	0.38	141.45%	*	**
BIG HORN	WYOLA ELEM	54	$483,491	$214,216	$215,911	$485,184	$1,693	-10.15	88.60%		
BLAINE	BEAR PAW ELEM	18	$70,888	$70,888	$70,888	$70,888	$0	20.84	87.55%		
BLAINE	CHINOOK ELEM	337	$1,220,000	$1,196,218	$1,196,218	$1,220,000	$0	18.04	88.28%		
BLAINE	CHINOOK H S	198	$1,090,000	$1,066,206	$1,066,206	$1,090,000	$0	10.95	92.04%		
BLAINE	CLEVELAND ELEM	13	$52,749	$52,749	$52,749	$52,749	$0	16.04	83.09%		
BLAINE	HARLEM ELEM	409	$2,000,000	$1,330,024	$1,330,024	$2,000,000	$0	18.04	88.85%	*	**
BLAINE	HARLEM H S	141	$1,085,320	$674,479	$681,338	$1,092,179	$6,859	6.65	84.22%		
BLAINE	HAYS-LODGE POLE ELEM	153	$1,054,223	$799,861	$799,861	$1,054,223	$0	3497.37	124.03%		
BLAINE	HAYS-LODGE POLE H S	72	$755,346	$510,757	$510,757	$755,346	$0	639.53	94.88%		
BLAINE	LLOYD ELEM	4	$34,527	$34,527	$34,527	$34,527	$0	17.32	107.90%	*	**
BLAINE	N HARLEM COLONY ELEM	10	$37,024	$35,233	$36,665	$38,456	$1,432	-20.02	70.20%	*	
BLAINE	TURNER ELEM	66	$340,216	$337,530	$337,530	$340,216	$0	14.30	105.64%		
BLAINE	TURNER H S	32	$304,451	$304,451	$304,451	$304,451	$0	-1.48	85.39%		
BLAINE	ZURICH ELEM	68	$207,188	$205,462	$205,462	$207,188	$0	16.65	80.53%	*	**
BROADWATER	BROADWATER CO HS	192	$804,056	$788,535	$811,889	$827,410	$23,354	3.16	72.13%		
BROADWATER	TOWNSEND ELEM	515	$1,375,000	$1,338,020	$1,394,282	$1,431,262	$56,262	7.57	69.44%		
CARBON	BELFRY ELEM	81	$650,000	$639,676	$639,676	$650,000	$0	52.60	169.14%	*	**
CARBON	BELFRY H S	49	$655,200	$655,200	$655,200	$655,200	$0	71.01	149.07%	*	**
CARBON	BOYD ELEM	11	$36,732	$36,732	$38,424	$38,424	$1,692	7.58	68.02%		
CARBON	BRIDGER ELEM	163	$620,131	$597,237	$597,237	$620,131	$0	11.87	86.10%	*	
CARBON	BRIDGER H S	74	$564,068	$547,604	$547,604	$564,068	$0	13.36	97.64%		
CARBON	EDGAR ELEM	19	$107,640	$107,640	$107,640	$107,640	$0	23.41	127.44%	*	**
CARBON	FROMBERG ELEM	110	$425,422	$411,333	$411,333	$425,422	$0	-15.19	81.32%		
CARBON	FROMBERG H S	60	$419,491	$416,124	$416,124	$419,491	$0	2.49	84.49%		
CARBON	JACKSON ELEM	17	$56,967	$56,967	$57,969	$57,969	$1,002	-10.33	74.82%		
CARBON	JOLIET ELEM	214	$684,765	$669,284	$678,873	$694,354	$9,589	-0.13	76.13%		
CARBON	JOLIET H S	128	$607,995	$597,161	$609,430	$620,264	$12,270	-4.67	74.37%		
CARBON	LUTHER ELEM	22	$75,063	$75,063	$75,243	$75,243	$180	13.93	79.24%	*	
CARBON	RED LODGE ELEM	392	$1,157,663	$1,122,677	$1,146,214	$1,181,200	$23,537	-5.53	74.50%		
CARBON	RED LODGE H S	177	$775,047	$751,745	$770,918	$794,220	$19,173	-5.01	73.35%		
CARBON	ROBERTS ELEM	81	$322,563	$316,716	$317,294	$323,141	$578	-2.90	79.72%	*	
CARBON	ROBERTS H S	43	$316,347	$315,035	$317,668	$318,980	$2,633	2.92	77.50%	*	

EXHIBIT 11
DATE 3-12-93
HB667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
CARTER	ALBION ELEM	10	$33,448	$33,448	$35,237	$35,237	$1,789	8.75	66.50%	*	**
CARTER	ALZADA ELEM	16	$57,676	$57,676	$57,977	$57,977	$301	3.57	78.37%		
CARTER	CARTER CO H S	50	$498,500	$494,514	$494,514	$498,500	$0	11.16	111.18%	*	
CARTER	EKALAKA ELEM	84	$454,272	$454,253	$454,253	$454,272	$0	20.63	120.91%	*	
CARTER	HAMMOND-HAWKS HOME	22	$75,200	$75,200	$75,353	$75,353	$153	27.21	79.36%	*	
CARTER	JOHNSTON ELEM	5	$23,646	$23,646	$24,596	$24,596	$950	20.72	69.29%		
CARTER	PINE HILL-PLAINVW EL	13	$44,000	$44,000	$45,358	$45,358	$1,358	6.18	71.45%	*	**
CARTER	RIDGE ELEM	4	$27,193	$27,193	$27,193	$27,193	$0	63.43	84.98%	*	
CASCADE	BELT ELEM	232	$811,470	$787,386	$787,386	$811,470	$0	4.32	83.25%		
CASCADE	BELT H S	91	$640,957	$615,786	$615,786	$640,957	$0	0.40	95.80%		
CASCADE	CASCADE ELEM	220	$700,876	$679,381	$687,203	$708,698	$7,822	-7.16	77.07%		
CASCADE	CASCADE H S	125	$668,174	$646,681	$646,724	$668,217	$44	-6.00	80.50%		
CASCADE	CENTERVILLE EL	243	$832,346	$794,055	$794,055	$832,346	$0	-19.52	81.20%		
CASCADE	CENTERVILLE H S	93	$517,677	$505,396	$508,886	$521,167	$3,490	-11.20	78.27%		
CASCADE	DEEP CREEK ELEM	6	$41,310	$41,310	$41,310	$41,310	$0	36.88	105.93%	*	**
CASCADE	GREAT FALLS EL	8,904	$29,651,889	$26,943,925	$26,943,925	$29,651,889	$0	-0.74	88.72%		
CASCADE	GREAT FALLS H S	3,321	$15,756,700	$14,791,563	$14,791,563	$15,756,700	$0	-3.43	96.31%		
CASCADE	SIMMS H S	149	$809,195	$787,952	$787,952	$809,195	$0	-22.82	85.55%		
CASCADE	SUN RIVER VALLEY ELM	268	$1,010,994	$971,673	$971,673	$1,010,994	$0	42.94	96.12%		
CASCADE	ULM ELEM	102	$382,388	$365,181	$365,181	$382,388	$0	21.20	89.01%		
CASCADE	VAUGHN ELEM	179	$613,972	$587,036	$587,847	$614,783	$811	-25.39	80.28%		
CHOTEAU	BIG SANDY ELEM	181	$792,742	$776,594	$776,594	$792,742	$0	14.02	102.48%	*	
CHOTEAU	BIG SANDY H S	90	$713,979	$691,843	$691,843	$713,979	$0	10.39	107.99%	*	
CHOTEAU	CARTER ELEM	7	$55,435	$55,435	$55,435	$55,435	$0	6.21	130.45%	*	**
CHOTEAU	FT BENTON ELEM	365	$1,275,450	$1,240,861	$1,240,861	$1,275,450	$0	-19.20	85.41%		
CHOTEAU	FT BENTON H S	176	$948,825	$930,645	$930,645	$948,825	$0	-4.17	88.44%		
CHOTEAU	GERALDINE ELEM	118	$588,483	$576,974	$576,974	$588,483	$0	21.41	114.91%	*	**
CHOTEAU	GERALDINE H S	43	$502,850	$502,850	$502,850	$502,850	$0	13.25	122.57%	*	**
CHOTEAU	HIGHWOOD ELEM	93	$580,309	$565,458	$565,458	$580,309	$0	31.57	138.78%	*	
CHOTEAU	HIGHWOOD H S	48	$410,130	$405,264	$405,264	$410,130	$0	12.78	93.32%	*	
CHOTEAU	KNEES ELEM	9	$54,080	$50,296	$50,296	$54,080	$0	7.74	101.51%	*	**
CHOTEAU	LOMA ELEM	10	$51,886	$51,886	$51,886	$51,886	$0	1.77	97.91%	*	
CHOTEAU	WARRICK ELEM	5	$39,335	$39,335	$39,335	$39,335	$0	11.85	110.81%	*	**
CUSTER	COTTONWOOD EL	20	$88,420	$88,420	$88,420	$88,420	$0	54.42	100.52%	*	
CUSTER	CUSTER CO H S	627	$2,778,753	$2,642,181	$2,642,181	$2,778,753	$0	-21.16	83.93%		
CUSTER	HKT-BASIN SPR CRK EL	9	$32,189	$32,189	$33,670	$33,670	$1,481	12.53	68.03%		
CUSTER	KINSEY ELEM	43	$140,638	$137,256	$137,256	$140,638	$0	9.09	81.91%	*	
CUSTER	KIRCHER ELEM	47	$153,922	$149,629	$149,629	$153,922	$0	17.19	82.50%	*	**
CUSTER	MILES CITY ELEM	1,320	$4,297,114	$3,991,824	$3,993,453	$4,296,744	$1,630	-28.69	81.03%		
CUSTER	MOON CREEK EL	13	$32,000	$32,000	$35,758	$35,758	$3,758	6.28	56.32%		
CUSTER	S H-FOSTER CRK ELEM	8	$32,847	$32,847	$33,637	$33,637	$790	16.60	73.13%		
CUSTER	S Y ELEM	10	$26,500	$26,500	$29,679	$29,679	$3,179	14.92	56.01%		
CUSTER	TRAIL CREEK EL	11	$32,144	$32,144	$34,753	$34,753	$2,609	7.07	61.52%		
CUSTER	TWIN BUTTES EL	4	$32,022	$32,022	$32,022	$32,022	$0	35.46	100.07%	*	**
CUSTER	WHITNEY CRK EL	6	$30,000	$30,000	$30,240	$30,240	$240	31.14	77.54%	*	**
DANIELS	FLAXVILLE ELEM	39	$282,836	$277,350	$277,350	$282,836	$0	75.98	124.81%	*	**
DANIELS	FLAXVILLE H S	31	$294,925	$293,573	$293,573	$294,925	$0	-6.92	83.54%	*	**
DANIELS	PEERLESS ELEM	47	$367,887	$357,022	$357,022	$367,887	$0	121.00	132.54%	*	**
DANIELS	PEERLESS H S	30	$364,495	$359,839	$359,839	$364,495	$0	-36.13	103.72%	*	**
DANIELS	SCOBEY ELEM	232	$978,317	$951,117	$951,117	$978,317	$0	32.23	101.87%	*	**

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DANIELS	SCOBEY H S	97	$787,365	$773,932	$773,932	$787,365	$0	-29.88	114.71%	*	**
DAWSON	BLOOMFIELD ELEM	25	$81,120	$81,120	$81,766	$81,766	$646	13.20	77.55%	*	**
DAWSON	DAWSON CO H S	516	$2,619,850	$2,539,749	$2,539,749	$2,619,850	$0	-1.76	95.54%		
DAWSON	DEER CREEK ELEM	23	$88,868	$88,868	$88,868	$88,868	$0	8.42	90.27%	*	**
DAWSON	GLENDIVE ELEM	1,179	$3,838,614	$3,596,238	$3,596,238	$3,838,614	$0	-10.96	81.65%		
DAWSON	LINDSAY ELEM	16	$75,712	$75,712	$75,712	$75,712	$0	9.63	102.35%	*	**
DAWSON	RICHEY ELEM	71	$444,454	$437,716	$437,716	$444,454	$0	38.59	124.81%	*	**
DAWSON	RICHEY H S	47	$410,155	$410,155	$410,155	$410,155	$0	15.20	95.44%	*	
DEER LODGE	ANACONDA ELEM	1,096	$3,910,175	$3,567,334	$3,567,334	$3,910,175	$0	4.40	86.25%	*	
DEER LODGE	ANACONDA H S	539	$2,618,508	$2,405,483	$2,405,483	$2,618,508	$0	1.95	87.82%	*	**
FALLON	BAKER ELEM	415	$1,815,031	$1,760,944	$1,760,944	$1,815,031	$0	37.66	108.66%		
FALLON	BAKER H S	165	$1,492,474	$1,471,612	$1,471,612	$1,492,474	$0	17.59	145.95%		
FALLON	FERTILE PRAIRIE EL	10	$40,926	$40,926	$41,220	$41,220	$293	2.18	77.79%		
FALLON	PLEVNA ELEM	94	$649,911	$625,151	$625,151	$649,911	$0	22.59	149.57%	*	
FALLON	PLEVNA H S	41	$512,415	$512,415	$512,415	$512,415	$0	23.00	127.95%	*	
FERGUS	AYERS ELEM	9	$33,280	$33,280	$34,543	$34,543	$1,263	7.97	69.79%	*	
FERGUS	COTTONWOOD ELEM	6	$28,746	$28,746	$29,236	$29,236	$490	32.08	74.97%	*	**
FERGUS	DEERFIELD ELEM	15	$54,992	$54,992	$55,270	$55,270	$278	13.90	78.42%	*	**
FERGUS	DENTON ELEM	126	$480,063	$473,425	$473,425	$480,063	$0	4.43	85.11%		
FERGUS	DENTON H S	53	$373,182	$366,663	$366,772	$373,291	$109	8.70	80.19%		
FERGUS	FERGUS H S	441	$1,855,057	$1,806,258	$1,814,989	$1,863,788	$8,731	-21.53	78.93%		
FERGUS	GRASS RANGE EL	96	$358,525	$346,949	$346,949	$358,525	$0	13.90	82.58%	*	**
FERGUS	GRASS RANGE H S	34	$369,795	$366,541	$366,541	$369,795	$0	8.85	100.06%	*	
FERGUS	KING COLONY EL	5	$31,987	$31,987	$31,987	$31,987	$0	11.52	90.11%	*	
FERGUS	LEWISTOWN ELEM	1,138	$3,516,805	$3,278,433	$3,315,605	$3,553,977	$37,172	-13.64	77.79%		
FERGUS	MAIDEN ELEM	7	$37,856	$37,856	$37,856	$37,856	$0	12.15	89.08%	*	**
FERGUS	MOORE ELEM	99	$399,215	$393,566	$393,566	$399,215	$0	-2.64	88.63%		
FERGUS	MOORE H S	56	$396,740	$391,091	$391,091	$396,740	$0	-5.06	82.78%		
FERGUS	ROY ELEM	46	$309,173	$306,431	$306,431	$309,173	$0	19.16	141.12%	*	**
FERGUS	ROY H S	15	$373,507	$373,507	$373,507	$373,507	$0	30.45	136.59%	*	**
FERGUS	SPRING CRK COLONY EL	4	$31,987	$31,987	$31,987	$31,987	$0	71.91	99.96%		
FERGUS	WINIFRED ELEM	115	$495,988	$494,632	$494,632	$495,988	$0	31.85	98.33%	*	**
FERGUS	WINIFRED H S	42	$394,116	$392,760	$392,760	$394,116	$0	20.72	96.90%	*	**
FLATHEAD	BATAVIA ELEM	140	$558,109	$530,936	$530,936	$558,109	$0	39.64	88.45%		
FLATHEAD	BIGFORK ELEM	567	$1,774,445	$1,697,789	$1,726,930	$1,803,586	$29,141	-11.29	75.75%		
FLATHEAD	BIGFORK H S	306	$1,137,382	$1,107,995	$1,154,567	$1,183,954	$46,572	-5.36	69.42%		
FLATHEAD	CAYUSE PRAIRIE ELEM	257	$841,088	$802,554	$804,588	$843,122	$2,034	-8.34	79.96%		
FLATHEAD	COLUMBIA FALLS ELEM	1,649	$5,165,132	$4,736,584	$4,777,763	$5,204,311	$39,179	-8.53	78.92%		
FLATHEAD	COLUMBIA FALLS H S	764	$2,925,370	$2,786,414	$2,836,390	$2,975,346	$49,976	-2.78	75.62%		
FLATHEAD	CRESTON ELEM	79	$260,213	$244,510	$244,510	$260,213	$0	-11.13	84.05%		
FLATHEAD	DEER PARK ELEM	97	$379,244	$364,774	$364,774	$379,244	$0	37.96	86.82%		
FLATHEAD	EVERGREEN ELEM	716	$2,350,700	$2,148,460	$2,159,809	$2,362,049	$11,349	-25.68	79.83%		
FLATHEAD	FAIR-MONT-EGAN ELEM	146	$490,034	$474,931	$477,890	$492,993	$2,958	-12.10	78.59%		
FLATHEAD	FLATHEAD H S	1,957	$7,613,591	$7,414,348	$7,414,348	$7,613,591	$0	-10.67	82.22%		
FLATHEAD	HELENA FLATS EL	199	$663,315	$636,533	$639,755	$666,537	$3,222	-21.97	79.11%	*	
FLATHEAD	KALISPELL ELEM	2,488	$8,296,957	$7,499,338	$7,499,338	$8,296,957	$0	-6.45	83.08%		
FLATHEAD	KILA ELEM	105	$320,624	$304,964	$305,476	$321,136	$512	-5.95	80.27%		
FLATHEAD	MARION ELEM	100	$397,923	$379,643	$379,643	$397,923	$0	2.37	86.57%	*	
FLATHEAD	OLNEY-BISSELL ELEM	96	$336,742	$318,730	$319,422	$337,434	$692	1.17	80.20%		
FLATHEAD	PLEASANT VALLEY ELEM	9	$33,318	$33,318	$34,573	$34,573	$1,255	5.70	69.86%		

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FLATHEAD	SOMERS ELEM	356	$1,139,945	$1,102,892	$1,105,699	$1,142,752	$2,807	-1.59	79.73%		
FLATHEAD	SWAN RIVER EL	132	$481,410	$463,405	$463,405	$481,410	$0	31.99	86.30%	*	
FLATHEAD	WEST GLACIER ELEM	64	$256,743	$201,995	$201,995	$256,743	$0	16.42	86.64%	*	
FLATHEAD	WEST VALLEY EL	257	$796,511	$767,426	$779,542	$808,627	$12,116	-13.17	75.99%		
FLATHEAD	WHITEFISH ELEM	1,185	$3,596,742	$3,376,904	$3,427,733	$3,647,571	$50,829	1.31	76.85%		
FLATHEAD	WHITEFISH H S	529	$2,136,036	$2,055,594	$2,080,038	$2,160,480	$24,445	-9.01	77.09%		
GALLATIN	AMSTERDAM ELEM	50	$176,311	$176,311	$176,311	$176,311	$0	17.45	91.47%		
GALLATIN	ANDERSON ELEM	153	$509,125	$489,948	$490,176	$509,353	$228	-13.65	80.46%		
GALLATIN	BELGRADE ELEM	1,229	$3,730,655	$3,474,842	$3,520,009	$3,775,822	$45,167	-11.34	77.35%		
GALLATIN	BELGRADE H S	426	$1,616,186	$1,522,884	$1,577,049	$1,670,351	$54,165	-5.56	71.52%		
GALLATIN	BOZEMAN ELEM	3,138	$9,800,463	$9,226,026	$9,226,026	$9,800,463	$0	-4.27	82.66%		
GALLATIN	BOZEMAN H S	1,309	$5,793,711	$5,619,359	$5,619,359	$5,793,711	$0	-6.84	90.75%		
GALLATIN	COTTONWOOD EL	11	$34,820	$34,820	$36,894	$36,894	$2,074	-8.49	65.31%		
GALLATIN	GALLATIN GTWY ELEM	126	$425,136	$414,102	$414,102	$425,136	$0	-7.13	80.43%		
GALLATIN	LA MOTTE ELEM	49	$151,696	$151,696	$151,696	$151,696	$0	7.65	80.15%		
GALLATIN	MALMBORG ELEM	8	$32,462	$32,462	$33,345	$33,345	$883	12.52	72.50%		
GALLATIN	MANHATTAN ELEM	365	$1,116,178	$1,063,075	$1,088,427	$1,141,530	$25,351	-12.09	74.11%		
GALLATIN	MANHATTAN H S	177	$773,283	$747,814	$767,773	$793,242	$19,959	-7.34	73.11%		
GALLATIN	MONFORTON EL	208	$710,535	$682,495	$684,521	$712,561	$2,026	-9.66	79.72%		
GALLATIN	OPHIR ELEM	54	$185,808	$185,808	$185,808	$185,808	$0	10.36	89.89%		
GALLATIN	PASS CREEK ELEM	17	$44,084	$44,084	$47,663	$47,663	$3,579	18.98	61.52%	*	
GALLATIN	SPRINGHILL EL	14	$52,995	$52,995	$53,113	$53,113	$118	-9.16	79.29%	*	
GALLATIN	THREE FORKS EL	264	$831,534	$796,960	$807,542	$842,116	$10,582	3.34	76.77%		
GALLATIN	THREE FORKS H S	120	$595,473	$593,019	$599,924	$602,378	$6,905	-4.56	76.55%		
GALLATIN	W YELLOWSTONE ELEM	143	$634,843	$603,976	$603,976	$634,843	$0	21.19	99.38%		
GALLATIN	W YELLOWSTONE H S	71	$595,572	$583,649	$583,649	$595,572	$0	-1.26	106.62%		
GALLATIN	WILLOW CREEK EL	34	$156,924	$150,467	$153,085	$159,542	$2,619	13.18	75.65%		
GALLATIN	WILLOW CREEK HS	16	$207,180	$203,810	$207,582	$210,952	$3,772	11.25	74.86%		
GARFIELD	BENZIEN ELEM	8	$28,646	$28,646	$30,276	$30,276	$1,630	19.39	65.63%	*	
GARFIELD	BIG DRY CREEK ELEM	6	$32,501	$32,501	$32,501	$32,501	$0	19.54	83.34%	*	**
GARFIELD	BLACKFOOT ELEM	7	$26,780	$26,780	$28,223	$28,223	$1,443	17.95	66.41%	*	
GARFIELD	COHAGEN ELEM	25	$78,959	$78,959	$80,038	$80,038	$1,079	13.70	75.91%	*	**
GARFIELD	GARFIELD CO H S	93	$534,793	$527,236	$527,236	$534,793	$0	-0.77	80.89%		
GARFIELD	JORDAN ELEM	138	$492,433	$480,463	$480,846	$492,816	$383	3.45	80.14%		
GARFIELD	KESTER ELEM	6	$39,418	$39,418	$39,418	$39,418	$0	47.14	101.08%	*	**
GARFIELD	PINE GROVE ELEM	10	$27,089	$27,089	$30,150	$30,150	$3,061	8.24	56.90%		
GARFIELD	ROSS ELEM	4	$27,750	$27,750	$27,750	$27,750	$0	76.86	86.72%		
GARFIELD	SAND SPRINGS EL	6	$28,646	$28,646	$29,156	$29,156	$510	11.76	74.77%	*	
GARFIELD	VAN NORMAN ELEM	18	$55,953	$55,953	$57,718	$57,718	$1,765	23.84	71.28%		
GLACIER	BROWNING ELEM	1,445	$10,000,000	$6,554,155	$6,554,155	$10,000,000	$0	-22.05	113.51%	*	
GLACIER	BROWNING H S	340	$4,000,000	$2,926,980	$2,926,980	$4,000,000	$0	-12.92	137.45%	*	**
GLACIER	CUT BANK ELEM	733	$2,764,443	$2,309,455	$2,309,455	$2,764,443	$0	-8.43	84.33%	*	
GLACIER	CUT BANK H S	265	$1,875,897	$1,699,235	$1,699,235	$1,875,897	$0	-10.11	113.16%	*	
GLACIER	E GLACIER PARK ELEM	57	$354,003	$247,349	$247,349	$354,003	$0	-43.54	109.32%	*	**
GLACIER	MOUNTAIN VIEW ELEMENTA	24	$75,150	$75,150	$76,432	$76,432	$1,281	1.55	74.97%	*	
GOLDEN VALLEY	LAVINA ELEM	51	$245,039	$232,133	$232,133	$245,039	$0	15.93	91.14%		
GOLDEN VALLEY	LAVINA H S	24	$209,959	$206,194	$215,749	$219,514	$9,555	-0.52	68.34%		
GOLDEN VALLEY	RYEGATE ELEM	53	$298,667	$290,298	$290,298	$298,667	$0	18.12	108.80%	*	
GOLDEN VALLEY	RYEGATE H S	25	$303,636	$303,636	$303,636	$303,636	$0	13.77	94.19%	*	
GRANITE	DRUMMOND ELEM	129	$483,324	$469,738	$469,738	$483,324	$0	11.17	83.29%	*	

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GRANITE	DRUMMOND H S	94	$502,275	$496,982	$502,932	$508,225	$5,950	6.88	76.57%	*	
GRANITE	GRANITE H S	80	$521,306	$497,036	$497,036	$521,306	$0	1.85	84.81%		
GRANITE	HALL ELEM	29	$120,570	$120,570	$120,570	$120,570	$0	9.78	100.96%	*	**
GRANITE	PHILIPSBURG EL	195	$686,094	$651,853	$651,853	$686,094	$0	-3.88	83.61%		
HILL	BLUE SKY ELEM	141	$516,924	$508,546	$508,546	$516,924	$0	8.94	88.26%		
HILL	BLUE SKY HIGH	33	$474,274	$474,274	$474,274	$474,274	$0	15.30	131.22%	*	
HILL	BOX ELDER ELEM	142	$947,653	$588,226	$588,226	$947,653	$0	102.61	99.66%	*	
HILL	BOX ELDER H S	51	$611,586	$437,342	$437,342	$611,586	$0	79.18	98.09%	*	**
HILL	COTTONWOOD ELEM	39	$250,000	$206,414	$206,414	$250,000	$0	-9.92	126.30%	*	**
HILL	DAVEY ELEM	5	$46,020	$43,178	$43,178	$46,020	$0	0.00	120.03%		
HILL	GILDFORD COLONY ELEM	12	$40,822	$38,791	$40,631	$42,662	$1,840	-14.61	68.79%		
HILL	HAVRE ELEM	1,840	$5,716,273	$5,398,619	$5,412,111	$5,729,765	$13,492	-8.01	80.13%		
HILL	HAVRE H S	789	$2,888,128	$2,744,930	$2,821,651	$2,964,849	$76,721	4.79	73.14%	*	
HILL	K-G ELEM	83	$429,660	$421,708	$421,708	$429,660	$0	44.86	117.32%		
HILL	K-G HIGH SCHOOL	30	$413,746	$413,746	$413,746	$413,746	$0	10.84	119.31%		
HILL	ROCKY BOY ELEM	341	$1,826,585	$1,046,826	$1,049,590	$1,827,549	$964	-41.45	87.24%	*	
HILL	ROCKY BOY H S	84	$823,975	$480,533	$482,003	$825,446	$1,471	-32.18	86.59%	*	**
JEFFERSON	BASIN ELEM	10	$62,020	$62,020	$62,020	$62,020	$0	2.10	117.04%	*	**
JEFFERSON	BOULDER ELEM	231	$861,788	$814,321	$814,321	$861,788	$0	-20.97	86.43%		
JEFFERSON	CARDWELL ELEM	51	$150,106	$144,141	$146,712	$152,677	$2,571	7.18	75.50%		
JEFFERSON	CLANCY ELEM	366	$1,218,542	$1,198,612	$1,198,612	$1,218,542	$0	-4.89	82.86%		
JEFFERSON	JEFFERSON H S	235	$1,035,213	$1,001,165	$1,014,972	$1,049,020	$13,807	-0.26	76.47%		
JEFFERSON	MONTANA CITY ELEM	199	$819,286	$811,441	$811,441	$819,286	$0	-22.06	100.61%		
JEFFERSON	WHITEHALL ELEM	375	$1,085,273	$1,061,603	$1,087,392	$1,111,062	$25,789	-3.20	73.49%		
JEFFERSON	WHITEHALL H S	175	$761,494	$740,488	$760,372	$781,378	$19,884	4.29	72.97%		
JUDITH BASIN	GEYSER ELEM	67	$305,652	$298,708	$298,708	$305,652	$0	30.04	101.79%	*	
JUDITH BASIN	GEYSER H S	32	$285,955	$283,297	$283,686	$286,344	$389	2.35	79.71%	*	
JUDITH BASIN	HOBSON ELEM	96	$409,191	$401,391	$401,391	$409,191	$0	13.61	90.90%		
JUDITH BASIN	HOBSON H S	47	$408,883	$406,288	$406,288	$408,883	$0	4.82	94.57%		
JUDITH BASIN	RAYNESFORD ELEM	23	$83,385	$82,371	$82,371	$83,385	$0	10.92	83.84%	*	
JUDITH BASIN	STANFORD ELEM	140	$463,376	$459,186	$463,094	$467,284	$3,908	9.79	77.55%		
JUDITH BASIN	STANFORD H S	58	$412,410	$412,410	$412,410	$412,410	$0	9.47	85.32%		
LAKE	ARLEE ELEM	272	$1,142,702	$992,224	$992,224	$1,142,702	$0	53.19	91.14%	*	
LAKE	ARLEE H S	145	$833,728	$714,456	$716,410	$835,682	$1,954	-9.95	81.57%	*	
LAKE	CHARLO ELEM	197	$712,401	$671,758	$671,758	$712,401	$0	27.67	84.75%		
LAKE	CHARLO H S	74	$491,401	$477,669	$477,669	$491,401	$0	6.09	85.46%		
LAKE	POLSON ELEM	1,049	$3,137,865	$2,699,775	$2,797,809	$3,235,899	$98,034	-9.04	73.12%		
LAKE	POLSON H S	463	$1,688,161	$1,529,607	$1,610,121	$1,768,675	$80,514	-5.31	68.72%		
LAKE	RONAN ELEM	1,077	$3,978,816	$3,163,015	$3,180,059	$3,995,860	$17,044	-11.11	81.95%	*	
LAKE	RONAN H S	382	$1,888,203	$1,500,874	$1,526,366	$1,913,895	$25,492	-10.30	78.99%	*	
LAKE	ST IGNATIUS ELEM	421	$1,590,357	$1,322,060	$1,322,060	$1,590,357	$0	26.83	83.27%		
LAKE	ST IGNATIUS H S	166	$1,187,748	$963,314	$963,314	$1,187,748	$0	-21.12	95.74%		
LAKE	SWAN LAKE-SALMON ELEM	18	$65,294	$65,294	$65,294	$65,294	$0	6.42	80.64%		
LAKE	UPPER WEST SHORE ELEM	24	$62,000	$62,000	$65,911	$65,911	$3,911	8.53	64.65%	*	
LAKE	VALLEY VIEW ELEM	20	$55,264	$55,264	$58,285	$58,285	$3,021	23.71	66.26%		
LEWIS & CLARK	AUCHARD CRK ELEM	21	$48,228	$48,228	$53,216	$53,216	$4,988	4.20	58.19%		
LEWIS & CLARK	AUGUSTA ELEM	105	$421,448	$421,448	$421,448	$421,448	$0	0.49	90.40%	*	
LEWIS & CLARK	AUGUSTA H S	34	$351,492	$333,949	$333,949	$351,492	$0	10.10	91.57%	*	**
LEWIS & CLARK	CRAIG ELEM	9	$39,707	$39,707	$39,707	$39,707	$0	2.70	80.23%		
LEWIS & CLARK	E HELENA ELEM	1,024	$2,935,797	$2,865,066	$2,912,694	$2,983,425	$47,628	-11.31	75.53%		

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LEWIS & CLARK	HELENA ELEM	5,110	$17,133,670	$16,144,114	$16,144,114	$17,133,670	$0	-10.11	89.84%		
LEWIS & CLARK	HELENA H S	2,425	$11,354,905	$10,729,262	$10,729,262	$11,354,905	$0	-9.36	96.67%		
LEWIS & CLARK	KESSLER ELEM	289	$791,164	$766,990	$778,580	$800,754	$9,590	-6.46	76.75%		
LEWIS & CLARK	LINCOLN ELEM	149	$508,251	$479,799	$481,219	$507,671	$1,421	-9.03	79.94%		
LEWIS & CLARK	LINCOLN HIGH SCHOOL	46	$330,945	$330,945	$332,737	$332,737	$1,792	-4.04	78.31%		
LEWIS & CLARK	TRINITY ELEM	14	$50,686	$50,686	$51,266	$51,266	$580	1.38	76.54%	*	**
LEWIS & CLARK	WOLF CREEK ELEM	13	$49,315	$49,315	$49,609	$49,609	$295	0.64	78.14%		
LIBERTY	CHESTER ELEM	240	$809,318	$772,388	$774,560	$811,490	$2,173	11.24	79.87%	*	
LIBERTY	CHESTER H S	98	$697,978	$697,978	$697,978	$697,978	$0	9.86	102.97%		
LIBERTY	J-I ELEM	113	$686,197	$674,998	$674,998	$686,197	$0	46.32	139.18%	*	**
LIBERTY	J-I HIGH SCHOOL	42	$523,848	$519,188	$519,188	$523,848	$0	13.63	127.76%	*	**
LIBERTY	LIBERTY ELEM SCHOOL	12	$35,924	$35,924	$38,337	$38,337	$2,413	-11.85	63.91%		
LIBERTY	WHITLASH ELEM	9	$36,915	$34,309	$35,366	$37,972	$1,057	8.17	72.88%		
LINCOLN	EUREKA ELEM	521	$1,724,305	$1,576,473	$1,587,868	$1,733,700	$9,395	-2.34	79.61%		
LINCOLN	FORTINE ELEM	76	$234,804	$229,222	$229,222	$234,804	$0	12.54	81.24%		
LINCOLN	LIBBY ELEM	1,465	$4,977,162	$4,571,390	$4,571,390	$4,977,162	$0	-15.12	84.54%		
LINCOLN	LIBBY H S	603	$2,822,838	$2,719,951	$2,719,951	$2,822,838	$0	-16.91	89.14%		
LINCOLN	LINCOLN CO H S	289	$1,132,370	$1,087,014	$1,124,856	$1,170,214	$37,844	-2.42	71.33%		
LINCOLN	MCCORMICK ELEM	17	$60,000	$58,878	$59,498	$60,620	$620	13.57	77.13%	*	
LINCOLN	SYLVANITE ELEM	14	$52,320	$50,488	$51,107	$52,939	$619	-3.59	76.93%		
LINCOLN	TREGO ELEM	69	$208,056	$206,677	$206,787	$208,166	$110	7.35	79.94%	*	
LINCOLN	TROY ELEM	467	$1,605,348	$1,474,635	$1,479,139	$1,609,852	$4,503	-15.58	80.41%		
LINCOLN	TROY H S	226	$1,021,478	$979,137	$990,459	$1,032,800	$11,323	-10.20	77.25%		
LINCOLN	YAAK ELEM	18	$65,982	$64,703	$64,718	$65,997	$15	9.31	80.24%		
MADISON	ALDER ELEM	29	$80,470	$80,470	$83,483	$83,483	$3,013	3.52	69.91%		
MADISON	ENNIS ELEM	241	$880,276	$861,008	$861,008	$880,276	$0	13.58	91.66%		
MADISON	ENNIS H S	117	$670,602	$660,906	$660,906	$670,602	$0	6.42	86.02%		
MADISON	HARRISON ELEM	79	$290,000	$289,045	$290,731	$291,686	$1,686	12.06	78.24%		
MADISON	HARRISON H S	37	$286,804	$282,076	$286,616	$290,344	$4,539	3.87	75.47%		
MADISON	SHERIDAN EMEM	187	$546,432	$540,770	$556,523	$562,185	$15,753	15.91	72.07%		
MADISON	SHERIDAN H S	99	$504,643	$491,558	$502,475	$515,560	$10,916	-0.27	74.10%		
MADISON	TWIN BRIDGES ELEM	159	$597,000	$575,957	$575,957	$597,000	$0	8.71	85.83%		
MADISON	TWIN BRIDGES H S	80	$545,000	$541,464	$541,464	$545,000	$0	7.50	91.76%		
MCCONE	CIRCLE ELEM	229	$833,464	$789,423	$789,423	$833,464	$0	14.08	83.32%		
MCCONE	CIRCLE H S	138	$726,408	$705,718	$705,718	$726,408	$0	2.11	81.42%		
MCCONE	PRAIRIE ELK ELEM	6	$29,120	$29,120	$29,536	$29,536	$416	10.00	75.74%	*	**
MCCONE	SOUTHVIEW ELEM	11	$36,260	$36,260	$38,046	$38,046	$1,786	4.61	67.35%	*	
MCCONE	VIDA ELEM	19	$85,292	$85,292	$85,292	$85,292	$0	8.58	100.98%	*	
MEAGHER	LENNEP ELEM	12	$32,666	$32,666	$35,731	$35,731	$3,065	1.91	59.56%		
MEAGHER	RINGLING ELEM	5	$37,317	$37,317	$37,317	$37,317	$0	3.20	105.12%	*	
MEAGHER	WHT SULPHUR SPGS ELEM	183	$755,144	$741,779	$741,779	$755,144	$0	-0.18	98.99%		
MEAGHER	WHT SULPHUR SPGS HS	103	$602,576	$596,373	$596,373	$602,576	$0	2.53	85.08%		
MINERAL	ALBERTON ELEM	164	$590,596	$590,596	$590,596	$590,596	$0	-18.15	84.31%	*	
MINERAL	ALBERTON H S	59	$446,918	$446,918	$446,918	$446,918	$0	-0.24	91.54%	*	
MINERAL	ST REGIS ELEM	153	$577,506	$549,428	$549,428	$577,506	$0	-6.03	85.46%		
MINERAL	ST REGIS H S	56	$454,766	$443,623	$443,623	$454,766	$0	2.93	93.81%		
MINERAL	SUPERIOR ELEM	304	$1,102,642	$1,048,871	$1,048,871	$1,102,642	$0	-28.06	87.58%	*	
MINERAL	SUPERIOR H S	130	$653,396	$653,396	$655,966	$655,966	$2,570	-19.00	78.77%	*	
MISSOULA	BONNER ELEM	423	$1,462,873	$1,377,409	$1,377,409	$1,462,873	$0	-23.43	84.11%		
MISSOULA	CLINTON ELEM	236	$827,999	$785,296	$785,296	$827,999	$0	-25.52	82.45%		

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
MISSOULA	DESMET SCHOOL	104	$425,041	$410,428	$410,428	$425,041	$0	11.33	91.38%		
MISSOULA	FRENCHTOWN ELEM	624	$1,946,347	$1,880,035	$1,890,547	$1,956,859	$10,512	7.46	78.84%		
MISSOULA	FRENCHTOWN H S	266	$1,408,094	$1,395,758	$1,395,758	$1,408,094	$0	-0.19	93.99%		
MISSOULA	HELLGATE ELEM	920	$2,741,449	$2,577,794	$2,617,353	$2,781,008	$39,559	-12.35	76.55%		
MISSOULA	LOLO ELEM	625	$2,003,765	$1,940,229	$1,940,229	$2,003,765	$0	-21.23	81.45%		
MISSOULA	MISSOULA ELEM	5,819	$19,595,900	$18,299,085	$18,299,085	$19,595,900	$0	-5.14	90.87%		
MISSOULA	MISSOULA H S	3,360	$15,368,799	$14,417,416	$14,417,416	$15,368,799	$0	-6.28	94.95%		
MISSOULA	POTOMAC ELEM	107	$421,910	$421,910	$421,910	$421,910	$0	36.78	88.75%		
MISSOULA	SEELEY LAKE ELEM	214	$666,897	$666,897	$673,354	$673,354	$6,457	-10.48	77.04%		
MISSOULA	SUNSET ELEM	11	$44,882	$39,999	$41,037	$45,920	$1,038	3.87	74.82%		
MISSOULA	SWAN VALLEY ELEM	70	$325,923	$325,923	$325,923	$325,923	$0	81.72	106.29%	*	
MISSOULA	TARGET RANGE ELEM	507	$1,540,853	$1,441,844	$1,473,640	$1,572,649	$31,796	-11.70	74.89%		
MISSOULA	WOODMAN ELEM	67	$320,795	$320,795	$320,795	$320,795	$0	85.11	103.55%	*	**
MUSSELSHELL	MELSTONE ELEM	65	$322,590	$310,655	$310,655	$322,590	$0	56.97	99.46%		
MUSSELSHELL	MELSTONE H S	51	$387,957	$387,957	$387,957	$387,957	$0	39.55	86.35%		
MUSSELSHELL	MUSSELSHELL ELEM	20	$96,709	$94,317	$94,317	$96,709	$0	19.73	107.03%	*	
MUSSELSHELL	ROUNDUP ELEM	474	$1,469,267	$1,381,728	$1,406,245	$1,493,784	$24,517	-12.81	75.91%		
MUSSELSHELL	ROUNDUP H S	195	$864,133	$812,414	$833,298	$885,017	$20,884	-5.67	73.89%		
PARK	ARROWHEAD ELEM	53	$163,792	$163,792	$163,792	$163,792	$0	15.35	80.60%		
PARK	COOKE CITY ELEM	7	$32,034	$32,034	$32,427	$32,427	$393	20.56	76.31%	*	
PARK	GARDINER ELEM	167	$699,620	$645,602	$645,602	$699,620	$0	7.30	91.56%	*	
PARK	GARDINER H S	74	$650,827	$575,332	$575,332	$650,827	$0	17.00	102.21%	*	**
PARK	LIVINGSTON ELEM	1,059	$3,530,717	$3,273,989	$3,273,989	$3,530,717	$0	-21.12	81.84%		
PARK	PARK H S	463	$2,092,365	$1,947,279	$1,947,279	$2,092,365	$0	-13.26	81.72%		
PARK	PINE CREEK ELEM	22	$62,745	$62,745	$65,389	$65,389	$2,644	18.24	68.86%		
PARK	RICHLAND ELEM	11	$48,592	$48,592	$48,592	$48,592	$0	6.99	86.02%	*	**
PARK	SPRINGDALE ELEM	10	$35,465	$35,465	$36,851	$36,851	$1,386	2.72	69.54%		
PARK	SHIELDS VALLEY HIGH SCH	93	$600,921	$587,597	$587,597	$600,921	$0	7.42	90.11%	*	
PARK	SHIELDS VLY ELEM SCH DIS	199	$721,620	$695,327	$695,327	$721,620	$0	26.37	87.38%	*	
PETROLEUM	WINNETT ELEM	70	$359,020	$356,851	$356,851	$359,020	$0	38.89	107.87%	*	
PETROLEUM	WINNETT H S	38	$372,628	$362,030	$362,030	$372,628	$0	2.64	93.99%	*	**
PHILLIPS	DODSON ELEM	89	$484,938	$379,028	$379,028	$484,938	$0	-15.82	93.70%	*	**
PHILLIPS	DODSON H S	50	$483,336	$420,659	$420,659	$483,336	$0	5.21	95.32%	*	
PHILLIPS	LANDUSKY ELEM	8	$33,315	$33,315	$34,011	$34,011	$696	3.55	73.95%		
PHILLIPS	MALTA ELEM	463	$1,607,805	$1,558,869	$1,558,869	$1,607,805	$0	-2.72	86.69%		
PHILLIPS	MALTA H S	222	$1,049,894	$1,018,831	$1,019,150	$1,050,213	$319	-5.01	80.36%		
PHILLIPS	SACO ELEM	91	$551,185	$531,826	$531,826	$551,185	$0	20.87	130.22%		
PHILLIPS	SACO H S	37	$537,638	$537,638	$537,638	$537,638	$0	15.26	141.12%		
PHILLIPS	SECOND CRK ELEM	7	$35,864	$33,224	$33,379	$36,019	$155	14.13	79.80%		
PHILLIPS	WHITEWATER ELEM	56	$446,224	$441,964	$441,964	$446,224	$0	11.10	157.60%		
PHILLIPS	WHITEWATER H S	38	$415,489	$411,230	$411,230	$415,489	$0	13.96	106.51%		
PONDERA	BRADY ELEM	61	$385,937	$375,078	$375,078	$385,937	$0	27.45	115.50%	*	
PONDERA	BRADY H S	37	$280,433	$280,433	$285,301	$285,301	$4,868	10.34	74.89%		
PONDERA	CONRAD ELEM	560	$1,983,000	$1,874,022	$1,874,022	$1,983,000	$0	-3.67	86.71%	*	
PONDERA	CONRAD H S	227	$1,222,314	$1,182,836	$1,182,836	$1,222,314	$0	-2.00	91.29%	*	
PONDERA	DUPUYER ELEM	31	$101,230	$99,037	$99,455	$101,648	$418	-12.59	79.04%		
PONDERA	HEART BUTTE	56	$690,096	$445,647	$445,647	$690,096	$0	-35.69	96.10%	*	**
PONDERA	HEART BUTTE ELEM	177	$1,074,773	$582,835	$582,835	$1,074,773	$0	-33.95	89.03%	*	
PONDERA	MIAMI ELEM	22	$74,636	$73,550	$74,032	$75,118	$483	14.28	78.22%	*	**
PONDERA	VALIER ELEM	204	$668,576	$642,045	$642,721	$669,252	$676	-5.65	80.31%		

EXHIBIT 11
3-12-93
HB 667

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
PONDERA	VALIER H S	75	$495,725	$481,487	$481,487	$495,725	$0	-3.60	85.42%		
POWDER RIVER	BELLE CREEK EL	12	$122,000	$122,000	$122,000	$122,000	$0	2.48	203.38%	*	**
POWDER RIVER	BIDDLE ELEM	26	$75,003	$75,003	$77,432	$77,432	$2,429	12.74	71.06%	*	
POWDER RIVER	BILLUP ELEM	6	$33,280	$33,280	$33,280	$33,280	$0	31.61	85.34%	*	
POWDER RIVER	BROADUS ELEM	196	$915,098	$874,207	$874,207	$915,098	$0	3.36	105.44%		
POWDER RIVER	HORKAN CRK ELEM	7	$30,160	$30,160	$30,927	$30,927	$767	23.88	72.78%	*	
POWDER RIVER	POWDER RVR CO DIST HS	133	$1,075,326	$1,060,524	$1,060,524	$1,075,326	$0	17.76	124.73%	*	
POWDER RIVER	SO STACEY ELEM	6	$32,263	$32,263	$32,263	$32,263	$0	31.92	82.73%	*	**
POWELL	AVON ELEM	38	$88,054	$88,054	$94,581	$94,581	$6,527	4.67	62.69%	*	
POWELL	DEER LODGE ELEM	651	$2,386,768	$2,198,045	$2,198,045	$2,386,768	$0	-24.68	88.41%		
POWELL	ELLISTON ELEM	24	$76,542	$76,542	$77,545	$77,545	$1,003	7.91	76.07%		
POWELL	GARRISON ELEM	15	$54,841	$54,841	$55,149	$55,149	$308	11.74	78.25%		
POWELL	GOLD CREEK ELEM	11	$43,590	$43,590	$43,910	$43,910	$320	3.20	77.73%	*	**
POWELL	HELMVILLE ELEM	21	$72,644	$72,644	$72,748	$72,748	$104	17.92	79.54%		
POWELL	OVANDO ELEM	22	$74,669	$74,669	$74,928	$74,928	$259	11.28	78.91%	*	
POWELL	POWELL CO H S	298	$1,455,086	$1,402,774	$1,402,774	$1,455,086	$0	-13.26	86.08%		
PRAIRIE	TERRY ELEM	163	$659,350	$650,271	$650,271	$659,350	$0	23.54	94.69%	*	**
PRAIRIE	TERRY H S	90	$561,568	$554,514	$554,514	$561,568	$0	9.43	86.92%	*	**
RAVALLI	CORVALLIS ELEM	669	$2,190,578	$2,036,219	$2,049,543	$2,203,902	$13,324	-10.06	79.19%		
RAVALLI	CORVALLIS H S	288	$1,098,390	$1,062,368	$1,104,380	$1,140,402	$42,012	-4.38	70.11%		
RAVALLI	DARBY ELEM	382	$1,231,124	$1,131,557	$1,151,910	$1,251,477	$20,353	-13.80	76.25%		
RAVALLI	DARBY H S	165	$733,465	$713,558	$731,124	$751,031	$17,566	-2.17	73.51%		
RAVALLI	FLORENCE-CARLTON ELEI	488	$1,444,576	$1,444,576	$1,459,691	$1,459,691	$15,115	0.12	76.82%		
RAVALLI	FLORENCE-CARLTON HS	172	$834,116	$756,005	$770,476	$848,587	$14,471	-9.34	76.20%		
RAVALLI	HAMILTON ELEM	899	$2,690,097	$2,573,728	$2,614,237	$2,730,606	$40,509	-0.70	76.13%		
RAVALLI	HAMILTON H S	430	$1,588,964	$1,524,943	$1,581,696	$1,645,717	$56,753	-9.05	70.79%		
RAVALLI	LONE ROCK ELEM	163	$507,457	$475,186	$475,186	$507,457	$0	-2.46	82.10%		
RAVALLI	STEVENSVILLE EL	790	$2,338,408	$2,255,473	$2,296,622	$2,381,557	$43,149	-3.36	75.08%		
RAVALLI	STEVENSVILLE HS	371	$1,435,482	$1,351,586	$1,398,642	$1,482,538	$47,056	-0.72	71.71%		
RAVALLI	VICTOR ELEM	191	$610,039	$593,900	$599,972	$616,111	$6,072	-5.05	77.36%		
RAVALLI	VICTOR H S	81	$476,836	$461,822	$464,702	$479,716	$2,880	2.03	78.60%		
RICHLAND	BRORSON ELEM	11	$75,420	$75,420	$75,420	$75,420	$0	3.61	133.51%	*	**
RICHLAND	FAIRVIEW ELEM	199	$914,987	$895,239	$895,239	$914,987	$0	35.92	106.55%		
RICHLAND	FAIRVIEW H S	156	$1,100,582	$1,082,664	$1,082,664	$1,100,582	$0	29.83	112.73%		
RICHLAND	LAMBERT ELEM	83	$540,205	$536,637	$536,637	$540,205	$0	34.10	142.22%	*	**
RICHLAND	LAMBERT H S	40	$480,152	$478,962	$478,962	$480,152	$0	29.61	121.01%	*	**
RICHLAND	RAU ELEM	67	$230,576	$230,576	$230,576	$230,576	$0	28.07	91.48%	*	
RICHLAND	SAVAGE ELEM	131	$436,948	$431,646	$434,749	$440,051	$3,103	9.78	77.99%		
RICHLAND	SAVAGE H S	34	$384,567	$384,567	$384,567	$384,567	$0	27.01	104.98%	*	
RICHLAND	SIDNEY ELEM	1,110	$3,923,730	$3,746,254	$3,746,254	$3,923,730	$0	12.59	88.86%		
RICHLAND	SIDNEY H S	538	$2,343,614	$2,276,276	$2,276,276	$2,343,614	$0	-6.78	82.77%	*	
ROOSEVELT	BAINVILLE ELEM	77	$533,804	$528,802	$528,802	$533,804	$0	66.73	146.81%	*	**
ROOSEVELT	BAINVILLE H S	31	$487,215	$484,738	$484,738	$487,215	$0	0.00	137.58%	*	**
ROOSEVELT	BROCKTON ELEM	90	$656,301	$406,467	$406,467	$656,301	$0	-32.63	101.39%		
ROOSEVELT	BROCKTON H S	47	$626,594	$416,768	$416,768	$626,594	$0	-23.59	97.97%		
ROOSEVELT	CULBERTSON ELEM	233	$909,404	$742,397	$743,745	$910,752	$1,348	-11.85	82.54%		
ROOSEVELT	CULBERTSON H S	90	$591,064	$558,385	$558,385	$591,064	$0	-1.16	88.00%		
ROOSEVELT	FROID ELEM	78	$420,788	$368,607	$368,607	$420,788	$0	-0.29	103.59%	*	
ROOSEVELT	FROID H S	41	$373,855	$359,722	$359,722	$373,855	$0	8.96	90.17%	*	
ROOSEVELT	FRONTIER ELEM	124	$581,316	$523,188	$523,188	$581,316	$0	7.94	99.61%	*	

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ROOSEVELT	POPLAR ELEM	644	$3,952,000	$2,412,953	$2,412,953	$3,952,000	$0	0.00	99.68%	*	**
ROOSEVELT	POPLAR H S	179	$2,400,000	$1,832,990	$1,832,990	$2,400,000	$0	-25.96	146.69%	*	**
ROOSEVELT	WOLF POINT ELEM	700	$2,741,798	$1,932,928	$1,970,710	$2,779,580	$37,782	-6.08	80.31%	*	
ROOSEVELT	WOLF POINT H S	310	$1,571,999	$1,255,743	$1,275,803	$1,592,059	$20,060	0.00	79.16%	*	**
ROSEBUD	ASHLAND ELEM	101	$475,500	$354,774	$355,439	$476,165	$665	-20.69	83.78%		
ROSEBUD	BIRNEY ELEM	16	$66,000	$66,000	$66,000	$66,000	$0	20.27	89.22%		
ROSEBUD	COLSTRIP ELEM	916	$4,796,868	$4,234,187	$4,234,187	$4,796,868	$0	-1.75	116.84%		
ROSEBUD	COLSTRIP H S	450	$3,164,049	$2,712,670	$2,712,670	$3,164,049	$0	-2.50	112.77%		
ROSEBUD	FORSYTH ELEM	443	$1,620,434	$1,500,946	$1,500,946	$1,620,434	$0	-5.99	85.93%		
ROSEBUD	FORSYTH H S	233	$984,610	$953,603	$975,392	$1,006,399	$21,789	6.14	74.04%		
ROSEBUD	LAME DEER ELEM	325	$2,132,558	$1,384,594	$1,384,594	$2,132,558	$0	-34.69	107.63%		
ROSEBUD	ROCK SPRING ELEM	4	$32,055	$32,055	$32,055	$32,055	$0	11.31	100.18%		
ROSEBUD	ROSEBUD ELEM	83	$364,442	$353,797	$353,797	$364,442	$0	11.83	95.07%		
ROSEBUD	ROSEBUD H S	28	$300,887	$300,887	$300,887	$300,887	$0	7.84	89.28%		
SANDERS	CAMAS PRAIRIE ELEM	7	$48,852	$47,280	$47,280	$48,852	$0	15.61	110.86%	*	**
SANDERS	DIXON ELEM	47	$347,000	$201,974	$201,974	$347,000	$0	-72.70	106.02%	*	**
SANDERS	HOT SPRINGS ELEM	146	$527,730	$504,901	$506,258	$528,087	$357	-16.55	80.48%	*	
SANDERS	HOT SPRINGS H S	73	$461,138	$436,586	$438,291	$462,843	$1,705	0.19	79.67%	*	
SANDERS	NOXON ELEM	176	$680,936	$664,981	$664,981	$680,936	$0	12.74	89.92%		
SANDERS	NOXON H S	108	$521,218	$514,467	$527,783	$534,534	$13,316	7.78	72.92%		
SANDERS	PARADISE ELEM	48	$157,445	$157,445	$157,445	$157,445	$0	-8.43	84.75%		
SANDERS	PLAINS ELEM	304	$1,002,224	$941,963	$951,222	$1,011,483	$9,259	-12.07	78.07%		
SANDERS	PLAINS H S	165	$810,522	$794,656	$796,002	$811,868	$1,346	-14.53	79.78%		
SANDERS	THOMPSON FALLS ELEM	385	$1,209,208	$1,172,870	$1,183,543	$1,219,881	$10,673	-15.08	77.74%		
SANDERS	THOMPSON FALLS H S	194	$833,886	$813,171	$833,135	$853,850	$19,964	-7.65	73.48%		
SANDERS	TROUT CRK ELEM	90	$396,558	$396,558	$396,558	$396,558	$0	16.72	119.37%	*	**
SHERIDAN	HIAWATHA ELEM	16	$124,925	$124,925	$124,925	$124,925	$0	0.00	168.87%	*	**
SHERIDAN	MEDICINE LK EL	164	$820,744	$803,761	$803,761	$820,744	$0	37.70	114.39%	*	**
SHERIDAN	MEDICINE LK H S	80	$634,613	$628,235	$628,235	$634,613	$0	24.75	106.34%	*	
SHERIDAN	OUTLOOK ELEM	53	$382,324	$374,371	$374,371	$382,324	$0	37.22	132.47%	*	**
SHERIDAN	OUTLOOK H S	24	$325,883	$325,883	$325,883	$325,883	$0	16.44	102.65%	*	
SHERIDAN	PLENTYWOOD ELEM	361	$1,202,083	$1,158,040	$1,158,040	$1,202,083	$0	-13.94	81.46%		
SHERIDAN	PLENTYWOOD H S	162	$1,020,518	$1,000,586	$1,000,586	$1,020,518	$0	-6.96	101.32%		
SHERIDAN	WESTBY ELEM	76	$667,322	$657,739	$657,739	$667,322	$0	33.28	184.61%	*	**
SHERIDAN	WESTBY H S	35	$634,459	$628,760	$628,760	$634,459	$0	30.88	168.34%	*	
SILVER BOW	BUTTE ELEM	3,686	$15,048,630	$13,960,258	$13,960,258	$15,048,630	$0	-3.94	105.66%		
SILVER BOW	BUTTE H S	1,458	$8,225,248	$7,607,431	$7,607,431	$8,225,248	$0	-5.03	109.92%	*	
SILVER BOW	DIVIDE ELEM	13	$50,094	$50,094	$50,233	$50,233	$139	-6.05	79.13%		
SILVER BOW	MELROSE ELEM	21	$80,757	$80,757	$80,757	$80,757	$0	18.34	88.30%	*	
SILVER BOW	RAMSAY ELEM	138	$508,012	$488,529	$488,529	$508,012	$0	13.18	84.57%		
STILLWATER	ABSAROKEE ELEM	261	$935,108	$912,740	$912,740	$935,106	$0	11.61	86.16%		
STILLWATER	ABSAROKEE H S	132	$626,892	$605,482	$619,182	$640,592	$13,700	0.59	74.15%		
STILLWATER	COLUMBUS ELEM	398	$1,253,165	$1,179,037	$1,192,401	$1,266,529	$13,364	-16.16	77.63%		
STILLWATER	COLUMBUS H S	143	$711,168	$669,396	$678,817	$720,589	$9,421	-6.45	76.87%		
STILLWATER	FISHTAIL ELEM	35	$92,566	$92,566	$96,513	$96,513	$3,948	5.12	68.75%		
STILLWATER	MOLT ELEM	10	$67,881	$67,881	$67,881	$67,881	$0	2.47	126.10%	*	**
STILLWATER	NYE ELEM	4	$32,062	$32,062	$32,062	$32,062	$0	41.33	100.20%		
STILLWATER	PARK CITY ELEM	231	$737,207	$706,343	$718,259	$747,123	$9,916	8.71	76.53%	*	
STILLWATER	PARK CITY H S	118	$567,484	$551,481	$565,145	$581,148	$13,664	1.19	73.49%	*	
STILLWATER	RAPELJE ELEM	46	$367,441	$359,552	$359,552	$367,441	$0	20.19	149.57%	*	**

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HB 667

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STILLWATER	RAPELJE H S	27	$305,397	$297,514	$297,514	$305,397	$0	6.23	89.82%	*	**
STILLWATER	REEDPOINT ELEM	37	$290,698	$274,647	$274,647	$290,698	$0	53.75	128.26%		
STILLWATER	REEDPOINT H S	21	$210,163	$207,141	$214,160	$217,182	$7,019	8.72	71.02%		
SWEET GRASS	BIG TIMBER ELEM	321	$1,034,403	$991,776	$1,000,060	$1,042,687	$8,284	-13.92	78.16%		
SWEET GRASS	BRIDGE ELEM	8	$28,468	$28,468	$30,134	$30,134	$1,666	8.42	65.52%		
SWEET GRASS	GREYCLIFF ELEM	25	$79,413	$79,413	$80,401	$80,401	$988	13.62	76.25%	*	**
SWEET GRASS	MCLEOD ELEM	7	$43,675	$43,675	$43,675	$43,675	$0	11.31	102.77%	*	**
SWEET GRASS	MELVILLE ELEM	24	$81,940	$81,940	$81,940	$81,940	$0	16.29	80.38%		
SWEET GRASS	SWEET GRASS CO HS	199	$960,051	$943,162	$943,162	$960,051	$0	-16.15	81.21%		
TETON	BYNUM ELEM	35	$94,342	$94,342	$97,934	$97,934	$3,593	-1.72	69.76%	*	
TETON	CHOTEAU ELEM	317	$1,043,105	$1,000,003	$1,001,665	$1,044,767	$1,662	-19.14	80.15%		
TETON	CHOTEAU H S	158	$984,883	$972,223	$972,223	$984,883	$0	-5.71	100.43%		
TETON	DUTTON ELEM	107	$451,317	$437,625	$437,625	$451,317	$0	14.24	96.57%		
TETON	DUTTON H S	44	$440,690	$435,730	$435,730	$440,690	$0	9.25	104.90%		
TETON	FAIRFIELD ELEM	212	$773,865	$720,101	$720,101	$773,865	$0	-7.27	82.39%	*	**
TETON	FAIRFIELD H S	140	$691,307	$665,171	$673,118	$699,254	$7,947	-7.74	77.07%	*	
TETON	GOLDEN RIDGE ELEM	30	$83,951	$81,514	$84,877	$87,314	$3,363	-1.36	69.66%	*	
TETON	GREENFIELD ELEM	68	$263,465	$261,411	$261,411	$263,465	$0	9.97	80.56%	*	**
TETON	PENDROY ELEM	12	$47,904	$47,904	$47,921	$47,921	$17	2.27	79.89%		
TETON	POWER ELEM	116	$419,990	$410,320	$410,320	$419,990	$0	-18.85	81.42%		
TETON	POWER H S	49	$346,400	$345,342	$346,596	$347,654	$1,253	-12.34	78.91%		
TOOLE	GALATA ELEM	16	$114,400	$114,400	$114,400	$114,400	$0	3.46	154.64%	*	**
TOOLE	SHELBY ELEM	528	$1,894,540	$1,824,123	$1,824,123	$1,894,540	$0	-9.13	86.40%		
TOOLE	SHELBY H S	206	$1,283,060	$1,257,256	$1,257,256	$1,283,060	$0	5.89	104.77%	*	
TOOLE	SUNBURST ELEM	226	$849,091	$816,186	$816,186	$849,091	$0	16.70	88.29%	*	
TOOLE	SUNBURST H S	96	$800,021	$790,758	$790,758	$800,021	$0	11.21	116.10%	*	
TREASURE	HYSHAM ELEM	130	$478,727	$468,158	$468,158	$478,727	$0	12.94	85.37%		
TREASURE	HYSHAM H S	50	$474,503	$463,986	$463,986	$474,503	$0	13.92	104.31%		
VALLEY	FRAZER ELEM	104	$832,240	$392,664	$392,664	$832,240	$0	-9.90	94.17%	*	
VALLEY	FRAZER H S	35	$651,679	$434,520	$434,520	$651,679	$0	60.48	110.76%	*	**
VALLEY	FT PECK ELEM	17	$255,250	$255,007	$255,007	$255,250	$0	148.93	328.44%	*	**
VALLEY	GLASGOW ELEM	712	$2,951,458	$2,875,113	$2,875,113	$2,951,458	$0	-3.18	105.18%		
VALLEY	GLASGOW H S	285	$1,752,000	$1,713,792	$1,713,792	$1,752,000	$0	-7.63	108.52%		
VALLEY	HINSDALE ELEM	68	$387,392	$378,885	$378,885	$387,392	$0	14.37	116.17%	*	
VALLEY	HINSDALE H S	31	$434,979	$433,662	$433,662	$434,979	$0	8.14	123.23%	*	
VALLEY	LUSTRE ELEM	59	$280,597	$271,473	$271,473	$280,597	$0	17.28	120.28%	*	
VALLEY	NASHUA ELEM	134	$523,963	$485,790	$485,790	$523,963	$0	-21.25	84.06%		
VALLEY	NASHUA H S	67	$495,969	$461,286	$461,286	$495,969	$0	-0.74	88.27%		
VALLEY	OPHEIM ELEM	85	$537,258	$520,481	$520,481	$537,258	$0	54.41	127.83%	*	**
VALLEY	OPHEIM H S	47	$515,861	$515,861	$515,861	$515,861	$0	-14.70	120.03%	*	**
WHEATLAND	HARLOWTON ELEM	202	$691,305	$659,284	$663,214	$695,235	$3,930	-7.31	76.94%		
WHEATLAND	HARLOWTON H S	109	$648,456	$640,027	$640,027	$648,456	$0	-1.72	87.68%		
WHEATLAND	JUDITH GAP ELEM	92	$324,434	$322,768	$324,410	$326,076	$1,642	-5.63	76.50%		
WHEATLAND	JUDITH GAP H S	30	$260,478	$256,812	$262,534	$264,200	$3,723	-15.19	75.82%		
WHEATLAND	SHAWMUT ELEM	11	$40,312	$40,312	$41,288	$41,288	$976	6.20	73.09%	*	**
WHEATLAND	TWO DOT ELEM	8	$45,017	$45,017	$45,017	$45,017	$0	2.58	97.88%	*	
WIBAUX	WIBAUX ELEM	161	$895,448	$860,293	$860,293	$895,448	$0	28.67	124.82%	*	**
WIBAUX	WIBAUX H S	77	$659,663	$659,663	$659,663	$659,663	$0	22.96	114.56%	*	**
YELLOWSTONE	BILLINGS ELEM	10,251	$33,812,312	$30,507,396	$30,507,396	$33,812,312	$0	0.54	87.50%		
YELLOWSTONE	BILLINGS H S	4,613	$17,698,841	$16,340,774	$16,392,211	$17,750,278	$51,437	-4.27	80.30%		

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YELLOWSTONE	BLUE CREEK ELEM	98	$290,433	$290,433	$290,433	$290,433	$0	12.34	80.66%	*	
YELLOWSTONE	BROADVIEW ELEM	71	$513,000	$496,360	$496,360	$513,000	$0	6.39	143.26%	*	**
YELLOWSTONE	BROADVIEW H S	41	$508,000	$493,657	$493,657	$508,000	$0	9.96	122.46%	*	**
YELLOWSTONE	CANYON CRK ELEM	210	$675,381	$652,146	$659,461	$682,696	$7,315	-13.27	77.22%		
YELLOWSTONE	CUSTER ELEM	70	$408,840	$402,805	$402,805	$408,840	$0	26.32	124.39%	*	**
YELLOWSTONE	CUSTER H S	32	$421,800	$421,800	$421,800	$421,800	$0	23.22	118.30%	*	**
YELLOWSTONE	ELDER GROVE ELEM	191	$597,375	$594,911	$601,914	$604,378	$7,003	-7.86	76.52%		
YELLOWSTONE	ELYSIAN ELEM	96	$294,684	$288,200	$288,200	$294,684	$0	11.89	81.95%		
YELLOWSTONE	HUNTLEY PROJ ELEM	479	$1,508,287	$1,442,402	$1,453,429	$1,519,314	$11,027	-5.51	78.40%		
YELLOWSTONE	HUNTLEY PROJ HS	184	$901,503	$882,984	$882,984	$901,503	$0	-10.23	81.09%	*	
YELLOWSTONE	INDEPENDENT ELEM	164	$453,717	$453,717	$457,266	$457,266	$3,549	2.41	77.59%	*	
YELLOWSTONE	LAUREL ELEM	1,279	$4,144,375	$3,930,256	$3,930,256	$4,144,375	$0	-18.00	81.20%		
YELLOWSTONE	LAUREL H S	570	$2,009,140	$1,963,510	$2,036,715	$2,082,345	$73,205	-0.65	70.41%		
YELLOWSTONE	LOCKWOOD ELEM	1,152	$3,545,309	$3,330,165	$3,357,925	$3,573,069	$27,760	-7.49	78.51%		
YELLOWSTONE	MORIN ELEM	32	$151,335	$105,760	$105,760	$151,335	$0	2.80	86.24%	*	**
YELLOWSTONE	PIONEER ELEM	73	$218,000	$218,000	$218,076	$218,076	$76	4.20	79.89%	*	
YELLOWSTONE	SHEPHERD ELEM	510	$1,334,655	$1,294,805	$1,360,715	$1,400,565	$65,910	-1.03	67.65%		
YELLOWSTONE	SHEPHERD H S	222	$1,058,765	$1,022,019	$1,022,019	$1,058,765	$0	-26.40	80.68%		
YELLOWSTONE	YLSTN EDUCATION CENTER	13	$651,426	$651,426	$651,426	$651,426	$0	ERR	1026.12%	*	**
TOTALS		151,137	$612,940,407	$562,512,474	$564,877,137	$615,305,070	$2,364,662		88.55%		

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FUNDING

Call to Order: By **CHAIRMAN JOHN COBB**, on March 16, 1993, at 3:00 p.m.

ROLL CALL

Members Present:
Rep. John Cobb, Chairman (R)
Rep. Ray Peck, Vice Chairman (D)
Rep. Bill Boharski (R)
Rep. Russell Fagg (R)
Rep. Mike Kadas (D)
Rep. Angela Russell (D)
Rep. Dick Simpkins (R)
Rep. Dave Wanzenried (D)

Members Excused: None

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council
Eddye McClure, Legislative Council
Dori Nielson, Office of Public Instruction
Evy Hendrickson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: **SB 278, SB 348**
Executive Action: **SB 278, SB 348**

HEARING ON SB 278

Opening Statement by Sponsor: **SEN. CHRIS CHRISTIAENS, District 18, Cascade,** distributed a clerical amendment to his bill and explained that the amendment revises the laws related to educational services for children in psychiatric hospitals and residential treatment. The reason for the amendment is that January 1, 1992 needed to be changed to January 1, 1993.

SEN. CHRISTIAENS referred discussion of the bill to **Mr. Bob Runkle, Director of Special Education in the Office of Public Instruction (OPI). Mr. Runkle** said **SB 278** addresses the responsibility and funding of education for children attending children's psychiatric hospitals and residential treatment facilities. This bill is sometimes referred to as **HB 999**

Ms. Nielson said the commission's discussions included a reimbursement component for those districts that spend above the average. It may be a combination of factors that allow a phase-in period, but the commission wanted to look at every potential to protect districts from immediate raises or cuts. A reimbursement allows OPI to look back at actual expenditures and reimburse the difference. They also may be able to look a little differently at federal monies and some flexibility.

REP. KADAS asked if the phase-in would be accomplished in the rulemaking process and whether there is enough leeway to allow this to happen. **Ms. Nielson** said if that is the legislatures intent with this bill, OPI would look at accomplishing that with two or three mechanisms.

REP. PECK suggested, because of the rulemaking authority, the committee might be wise to attach a statement of intent that would give some guidance in this area. **Ms. Nielson** agreed, saying OPI doesn't want this bill to pass and then have the machinery ignore legislators' sincere concern for the results.

Ms. Nielson distributed copies of Block Grant Factors: Instructional Per ANB, Related Services Per ANB, Co-op Operations and Reimbursements that went into the model. **EXHIBIT 6**

REP. PECK asked **Ms. Schmidt** about a statement she made to the effect that, without the passage of HB 667, she had reservations about this bill; he asked her if she would support the bill if HB 667 passes. **Ms. Schmidt** said she would support it with the special education ANB component of HB 667.

REP. PECK then asked other opponents if they would be supportive of this bill with the passage of HB 667. **Ms. Lamb** said **Conrad** would still oppose the bill. **Mr. Dahlem** said that the **Montana Federation of Teachers** would then be neither an opponent nor a supporter.

REP. BOHARSKI referred to page 24, noting that the **Senate** had amended the bill and changed several effective dates. He asked whether the fiscal note had been updated. **SEN. HALLIGAN** said it has not been updated to his knowledge, but the fiscal impact of the bill does not begin until the next biennium and that would be the effect of the changing effective dates.

Ms. Nielson said the commission very strongly supports having the two bills go into effect at the same time. She said what is being done and what is happening with the ANB need to be clarified.

REP. PECK asked whether, since HB 667 is effective the second year of the biennium for ANB, the recommendation of the commission is to put SB 348 in line with that. **Ms. Nielson** said yes, to clarify that the dates would be the same. There is no fiscal impact anticipated for special ed. in SB 348, but putting

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
SELECT COMMITTEE ON SCHOOL FUNDING

ROLL CALL

DATE 3/16/93 - _____ _____

MOTION: _____

_____

_____

NAME	Present	Absent
JOHN COBB, CHAIRMAN	✓	
RAY PECK, VICE CHAIRMAN	✓	
BILL BOHARSKI	✓	
RUSSELL FAGG	✓	
MIKE KADAS	✓	
ANGELA RUSSELL	✓	
DICK SIMPKINS	✓	
DAVE WANZENRIED		

HR:1993
wp:rlclvote.man

BILL NO	REFERRED	HEARING	OTHER CONSIDERATION DATES	EXECUTIVE ACTION/DATE/VOTE	REREFERRED	DATE READ
HB0566	SWANSON, EMILY		AUTHORIZING WAIVER OF CERTAIN BOND REQUIREMENTS FOR SCHOOL DISTRICT			
	2/10	2/12		DO PASS 02/15 VOTE: 18-0		2/16
HB0665	KADAS, MIKE		INCREASING FEES ON CERTAIN LEASES ON STATE SCHOOL TRUST LANDS			
	3/13	3/24		TABLED ON 03/24 VOTE: 12-6		
HB0667	FAGG, RUSSELL		IMPROVING EQUITY BY RESTRUCTURING THE FUND AND BUDGETING FOR SCHOOLS			
	3/13	3/15		PASS AS AMENDED 03/17 VOTE: 11-7		3/18
HJ0029	DOLEZAL, ED		STUDY GOVERNANCE OF MONTANA SCHOOL FOR THE DEAF AND BLIND			
	4/02	4/05		DO PASS 04/05 VOTE: 18-0		4/06
SB0022	BLAYLOCK, CHET		REVISE TEACHER TERMINATION STATUTES			
	1/19	1/27		TABLED ON 01/27 VOTE: 10-8		
SB0028	KENNEDY, JR., ED		REQUIRING SCHOOL BOARD MEETINGS BE IN PUBLIC BUILDING WITHIN DISTRICT			
	1/18	1/27		CONCUR 01/27 VOTE: 18-0		2/01
SB0031	BLAYLOCK, CHET		CLARIFYING REIMBURSEMENT RATES IN SCHOOL DISTRICT TPANSPORTATION LAWS			
	3/23	3/24		CONCUR 03/24 VOTE: 18-0		3/25
SB0032	BLAYLOCK, CHET		EQUALIZING SCHOOL DISTRICT FACILITY FUNDING WITH GUARANTEED TAX BASE AID			
	2/23	3/08		CONCUR AS AMENDED 03/29 VOTE: 10-8		3/29
SB0061	STANG, BARRY		CLARIFY CURRICULA IN STATE YOUTH CORRECTIONAL FACILITIES			
	1/15	2/03		CONCUR 02/03 VOTE: 18-0		2/05
SB0075	HOCKETT, BOB		REPEAL TERMINATION DATE ON EDUCATION SICK LEAVE FUND			
	1/15	2/01		TABLED ON 03/03 VOTE: 11-7		
SB0099	LYNCH, J.D.		REVISING THE LEGISLATIVE INTERN ACT			
	1/18	2/03		CONCUR 02/03 VOTE: 18-0		2/05
SB0136	GAGE, DEL		ALLOW INCREASE IN DISTRICT BUDGET BY CUMULATIVE 4% EACH YEAR SINCE 1990			
	1/21	2/08		CONCUR 02/08 VOTE: 16-2		3/03

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Rep. H.S. "Sonny" Hanson, Chair, on March 12, 1993, at 3:36 p.m.

ROLL CALL

Members Present:

Rep. Sonny Hanson, Chair (R)
Rep. Alvin Ellis, Vice Chair (R)
Rep. Ray Brandewie (R)
Rep. Ervin Davis (D)
Rep. Ed Dolezal (D)
Rep. Dan Harrington (D)
Rep. Jack Herron (R)
Rep. Bob Gervais (D)
Rep. Norm Mills (R)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Dick Simpkins (R)
Rep. Norm Wallin (R)
Rep. Diana Wyatt, Vice Chair (D)

Members Excused: Reps. Daily, McCarthy, McCulloch, and Spring

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council
Susan Lenard, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: Select Education Committee Information
Executive Action: SJR 23 and SB 330

EXECUTIVE ACTION ON SJR 23

Motion: **REP. MILLS MOVED SJR 23 DO PASS.**

Discussion:

REP. HARRINGTON commented he would vote against SJR 23. He said he would do so not because of its intent, but because he had difficulty with some of the testimony presented in support of the

REP. ROSE said there are present means for doing so now. He stated administrative individuals do not take the dispensing of this information upon themselves for fear of lawsuits. He stated he will vote for the bill even though he believes it is a act designed to protect administrative individuals from being up front and honest.

Vote: **SB 330 BE CONCURRED IN.** Motion carried unanimously.

Presentation on HB 667 to the committee by the Office of the Legislative Auditor:

Scott Seacat, Legislative Auditor, stated the Select Committee on Education has finished most of its work on HB 667. He distributed a summary of the factors and their impact on school districts in total. He said the policy decisions regarding the factors on the spreadsheet basically are the same for the base entitlement and the per student allocation. The Select Committee changed the guaranteed percentages to 40/40, from the original 50/30 and 45/35. This means that 40% of the base entitlement and of the student allocation would be paid for with a direct payment from the state. The next 40% would be paid for with guaranteed tax base (GTB) money. The remaining 20%, as always, would be the responsibility of local effort. The related change to that under HB 667, is the substantial increase in the mill guarantee percentage. In the first presentation the amount was to be no greater than 200% of 121%. This figure has now been increased to 250% of 121%. He said that is in excess of 300% considering the guarantee value of the mills. In the elementary districts rather than the current guarantee of $17.74, that guarantee would now be in the range of $52.25. In the high school districts that amount would be approximately $110.00. The right hand side of exhibit 1 lists what the 1993 budget would have been under this plan in contrast to the current method. The spread sheet indicates that no school's budget would go down with this system. All of the budgets would go up. He highlighted the "from < 0 to 2%" on the left-hand side and "from 0 to 2%" on the right-hand side. He explained that zero is included in the right-hand side so there may be schools with not only no decrease, but no increase either. **EXHIBIT 2**

The second page is a summary of "what happens to the mills." **Mr. Seacat** said it was important to look at schools and their ANB amounts. He suggested the legislators wait to look at individual spread sheets for their own districts. The third page indicates where schools are as a result of these factors.

Mr. Seacat distributed two sheets, one on high cost reduction action and the other on applicable budget caps. **EXHIBITS 3 and 4**

In the high cost school category, those schools spending over the 100% of the maximum budget, were required to reduce budget amounts by two percent per year under the original model. Various school associations had difficulty with that stipulation, so it

was changed to 0% the first year, 1% the second, 2% the third year, and 3% each year thereafter until the district came down to the 100% level. This is a substantial change from the original plan.

He noted the applicable budget caps have come under close scrutiny and criticism. He explained schools above the 100% level would be allowed no increase. Schools between the 80% and 100% category do not have to increase or decrease expenditures. That area is permissive and is completely up to the discretion of the local board of trustees. The increases to occur in these schools will be by permissive levies, except if the trustees wish it to be by voted levies. It is generally permissive unless the trustees vote otherwise. If the individual district chooses to increase its budget either through a voted or a permissive levy, it is capped at 104% of the prior budget or 104% of the prior budget per ANB, whichever is higher. These caps are the same for those schools under the 80% minimum. The Select Committee also added a low spending districts must increase by at least twenty percent between where they are located under the minimum and the minimum, whichever is higher.

REP. DOLEZAL asked how the schools spending below the 80% are to reach that level.

Mr. Seacat said the way the funding formula works, at the 80% level, 40% is direct state support and 40% is GTB. The way a school reaches that level is a combination of events. One must look at the change in state support. In the end, the district would most likely have to look at an increase in local levies. He said it is dependent upon the value of the mill and GTB, especially at 250%, as to how an individual district leverages that money.

REP. ROSE asked **Mr. Seacat** to clarify how a district reaches the 80% level.

Mr. Seacat said there are two parts of the puzzle to get to eighty percent. Forty percent of that, or half of getting there, is money from the state. The other half is with local effort that is GTB local effort. If in fact, the value of a mill is $500 per ANB, then all of that 40% is local effort. If the value of the high school mill is $10, for example, then about 10% of the 40% of the local effort would be local tax and 90% would be through state support.

REP. BRANDEWIE asked if it was mandatory to have a permissive levy for schools below the 80% level.

Mr. Seacat stated for the area below the minimum there is no permissive, it is mandatory.

REP. DAVIS questioned what would occur if a district did not do so.

Mr. Seacat said, since it would be law, he supposed the superintendent of OPI could mandate the county commissioner of the district to set that levy. He emphasized the point the permissive is only allowable between 80% and 100%. Anything below the 80% is no longer permissive, it is completely and unquestionably mandatory.

REP. HERRON asked if the junior high schools are calculated along with the high schools or the elementary schools.

Mr. Seacat said the junior high schools are budgeted for in the elementary districts, but how the costs are allocated in this formula are somewhat complicated. The plan gives the junior high ANB a percentage of the high school base and a percentage of the high school per student allocation. Assume, for example, there is an elementary school of 200 ANB, 100 are in grades 1-6 and 100 ANB are in 7th and 8th grade, then the base entitlement for that school would be half of $18,000, or $9,000, plus half of $200,000, or $100,000, for a total base of $109,000. The per student entitlement would be calculated for 100 elementary ANB at the $3,500 level, less the reducers, and 100 high school ANB at the $4,900 level, less the reducers. It was noted this is consistent with the present method for funding junior high students. An information packet with a restatement of budgets was distributed. **EXHIBIT 5**

Mr. Seacat stated the Select Education Committee approved an amendment which took PL-874 money out of the general fund. A federal impact aid account would be formed to handle that money and would be an off-schedule amount. It is not equalized.

REP. HANSON asked what would occur with a situation where one house in a district is privately owned and the rest are federal property.

Mr. Seacat said it depends upon how the district is currently using the PL-874 money. In some districts, PL-874 money is used to offset current voted levies. Under this amendment there would be nothing preventing school districts from doing this. The point of the amendment is that the legislature is not forcing the districts to use PL-874 money to offset levies or expenditures. He noted the key is on the expenditure side to the extent districts are currently using PL-874 money to offset general fund expenditures. They can charge those expenditures to this new account if they wish. If they choose not to they can increase levies in the general fund and decrease levies elsewhere. They can use the money to offset debt service or transportation or retirement, etc.

REP. DOLEZAL asked to look at one of the high spending schools, Belfry High School, for example. He said they were at 149 percent of the budget and asked how they would reduce their spending to reach the maximum spending cap.

Mr. Seacat replied the first year their budget would be frozen. The second year, they would be forced to reduce by one percent, and the third year spending would be forced down by two percent. Every year thereafter the school would need to reduce spending by three percent.

REP. DOLEZAL asked what a voted levy means. He asked if this means the people would make the decision if they wanted to keep the budget at 150% of the maximum cap.

Mr. Gillett stressed, under this plan, once schools hit the maximum they may never spend over that amount. The only way a district could spend more than that amount is if more money is put into the system thereby raising the maximum allowable budget amount. He said the only way a school can exist above that maximum amount is through no fault of their own. These ways could include spending at that level before the plan is put in place or if the ANB for a school drops drastically. He said action of the trustees to go over that 100% level is not permitted.

REP. SIMPKINS contended specifying maximum expenditure amounts is a major departure from the present system.

REP. ELLIS asked for the rationale for increasing the percentage from 200% to 250% of 121% to figure the original GTB amounts. He asked for clarification of the reason for using such an artificially high percentage.

Mr. Seacat said the Office of the Legislative Auditor came off the original assumption of the 50/30 to 45/35. The committee looked at a spread sheet of 45/35 with the lower GTB percentage. It then looked at the 40/40/20 with the higher GTB percentage. There was debate which questioned where it would be best to cut nineteen million dollars with the least detriment to the education community. He suggested the percentage chosen is a hint from the Select Committee as to how to cut nineteen million dollars if it becomes necessary. He reiterated by saying this plan is state expenditure neutral and, for the most part, school district budget neutral.

REP. ELLIS asked, since the level is at 300% of the average state GTB, what dollar amount constitutes ten points on this model's scale.

Mr. Seacat said if the 250% was reduced to about 175% then the savings would be somewhere between 18 and 20 million dollars. It is not a dollar per dollar amount, since as the percentage decreases more and more schools are brought down and there is a greater savings.

REP. HERRON requested a comment on the general response to this plan.

Mr. Seacat replied he does not want to speak and generalize the responses received but said people understand this plan equalizes. The educational community has generally given this plan qualified but reluctant support. He said he should not really speak for the education community.

REP. SIMPKINS stated it needs to be clear nineteen million dollars will not really be cut out of education, but that education will just not be allowed to rise by that amount.

Mr. Seacat said there is a projected increase in ANB. He said a two percent increase across all levels of schools in the model resulted in an increase in spending of approximately 9.9 million dollars. He said the nineteen million dollars is not solely the result of the increase in ANB. He suggested the other phenomenon OPI is considering is the fact the special session stated schools must take their reserves down. A trend in funding balance reappropriated was cut in half. Half of the original amount was reserves. Since the initial figure was set at sixty million dollars and was cut down to thirty million this meant the reserves and the use of reserves were reduced. In the model, an increase in state costs amount to approximately nineteen million dollars. He said a combination of events are expected to occur in the future, an increase in ANB and the reserves getting to the level where some of that one time money is not available. He said the whole picture needs to be examined in the context of what the Senate is doing in conjunction with the sales tax bill on those levies, on the transportation and retirement levies, and what is going to happen to those reserves. He emphasized he could not confidently predict what will occur with the mills in total for any district for years 1994 and 1995.

ADJOURNMENT

Adjournment: 5:05 p.m.

H S "Sonny" Hanson

REP. H.S. "SONNY" HANSON, Chair

Susan Lenard

SUSAN LENARD, Secretary

HSH/SL

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL DATE 3/12/03

NAME	PRESENT	ABSENT	EXCUSED
REP. SONNY HANSON , CHAIR	✓		
REP. ALVIN ELLIS , VICE-CHAIR	✓		
REP. DIANA WYATT , VICE-CHAIR	✓		
REP. RAY BRANDEWIE	✓		
REP. FRITZ DAILY			✓
REP. ERVIN DAVIS	✓		
REP. ED DOLEZAL	✓		
REP. DAN HARRINGTON	✓		
REP. JACK HERRON	✓		
REP. BOB GERVAIS	✓		
REP. BEA MCCARTHY			✓
REP. SCOTT MCCULLOCH			✓
REP. NORM MILLS	✓		
REP. BILL REHBEIN	✓		
REP. SAM ROSE	✓		
REP. DICK SIMPKINS	✓		
REP. WILBUR SPRING			✓
REP. NORM WALLIN	✓		

EXHIBIT 2
DATE 3/12/93
SB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
SELCOMM3.WK1
12-Mar-93
12:01 PM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	301	25	29
HS	0	0	140	21	3
TOTAL SCHOOLS	0	0	441	46	32
ELEM ANB	0	0	103,854	3,213	1,456
HS ANB	0	0	36,544	5,277	793
TOTAL ANB	0	0	140,398	8,490	2,249

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
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UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
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STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
	MILLS DOWN		MILLS UP		
NUMBER OF SCHOOLS/ANB	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10 LESS THAN 20	MORE THAN 20
ELEM	64	62	82	77	70
HS	29	56	42	22	15
TOTAL SCHOOLS	93	118	124	99	85
ELEM ANB	31,520	45,499	17,885	7,570	6,049
HS ANB	8,031	27,766	4,623	1,384	810
TOTAL ANB	39,551	73,265	22,508	8,954	6,859

EXHIBIT 2
DATE 3/2/93
SB HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
SELCOMM3.WK1
12-Mar-93
12:01 PM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
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REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
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NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	154	121	80
HS	58	60	46
TOTAL SCHOOLS	212	181	126
ELEM ANB	34,999	51,249	12,275
HS ANB	16,336	20,217	6,061
TOTAL ANB	51,335	81,466	18,336

EXHIBIT 3
DATE 3/12/93
HB 667

HOUSE EDUCATION SELECT COMMITTEE
HIGH COST SCHOOL REDUCTION ACTION
AS OF 12-Mar-93 02:17 PM

YEAR	OVER MAXIMUM PERCENT REDUCTION	LEVY STATUS
1	0%	PERMISSIVE
2	1%	PERMISSIVE
3	2%	VOTED
4	3%	VOTED
5	3%	VOTED

EXHIBIT 4
DATE 3/12/93
HB 667

HOUSE EDUCATION SELECT COMMITTEE

AS OF: 12-Mar-93 02:36 PM

APPLICABLE BUDGET CAPS

OVER MAXIMUM	80% TO 100%	UNDER MINIMUM
NO INCREASE	104% OF PRIOR BUDGET OR 104% OF PRIOR BUDGET PER ANB WHICHEVER IS HIGHER BUDGET GROWTH OPTIONAL	104% OF PRIOR BUDGET OR 104% OF PRIOR BUDGET PER ANB OR 20% OF RANGE TO MIN WHICHEVER IS HIGHER 20% IS MANDATORY

EXHIBIT 5
DATE 3/12/93
HB 667

MEMORANDUM

The attached packet of information illustrates the impact of the House Select Committee's March 12, 1993, actions on House Bill 667. School districts' fiscal year 1992-93 budgets have been restated as though HB 667 had been in effect for fiscal year 1992-93. The packet includes an overview of the Equalization Model, definitions of terms used in the model and HB 667, statistic sheets, and a district listing.

House Bill 667, as amended by the Select Committee, provides state support in the manner outlined on the "Listing of Spreadsheet Data Element Assumptions." Following is an explanation as to why some of the data elements are set where they are.

1. The required low spender growth is set at 20% of the difference between fiscal year 1992-93 budget and the mandatory level; and the estimated district budget growth is set at 0%. HB 667 provides budget growth for these districts to the greater of the 20% difference, 104% of the prior year's budget, or 104% of the prior year's budget per ANB. However, the estimated budget growth is set at 0% because this is a restatement of fiscal year 1992-93 and not a projection to a future fiscal year. The attached spreadsheet assumes districts have already increased their fiscal year 1992-93 budgets to the extent desired and allowed under existing statutes.

2. The "required high spender reduction" was set at 0% because HB 667 was amended to freeze those districts (i.e. those whose fiscal year 1992-93 budgets exceed the calculated maximum under HB 667) at the fiscal year 1992-93 level for the first year of implementation. Any projection to fiscal year 1993-94 would also set these districts' budgets at the fiscal year 1992-93 level.

Again, the attached spreadsheet is a restatement of fiscal year 1992-93 budgets and is not intended to indicate budget or mill impacts on future fiscal years.

Please Note: This complete exhibit may be located at the Historical Society. (This exhibit contains school funding analysis spread sheets and other data).

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Rep. H.S. "Sonny" Hanson, Chair, on March 15, 1993, at 3:05 p.m.

ROLL CALL

Members Present:

Rep. Sonny Hanson, Chair (R)
Rep. Alvin Ellis, Vice Chair (R)
Rep. Ray Brandewie (R)
Rep. Fritz Daily (D)
Rep. Ervin Davis (D)
Rep. Ed Dolezal (D)
Rep. Dan Harrington (D)
Rep. Jack Herron (R)
Rep. Bob Gervais (D)
Rep. Bea McCarthy (D)
Rep. Scott McCulloch (D)
Rep. Norm Mills (R)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Dick Simpkins (R)
Rep. Wilbur Spring (R)
Rep. Norm Wallin (R)
Rep. Diana Wyatt, Vice Chair (D)

Members Excused: None

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council
Susan Lenard, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 667
Executive Action: HB 540

HEARING ON HB 667

Opening Statement by Sponsor:

REP. FAGG, House District 89, Billings, explained HB 667 is a committee bill. He said the Select Education Committee was formed

with the sole purpose of defining an equalized school funding mechanism. In an attempt to address the equalization question, HB 667 sets up minimum and maximum spending levels for school districts. It will force low spending schools to come up to the 80% spending level over a five year time period. It will also force high spending districts to come down to the 100% level over a period of about five years. For high spending districts, budgets would be frozen the first year. These districts would be required to reduce their budgets by one percent the second year and two percent the third year. Every year thereafter they would be required to reduce their budgets by three percent until such a time as they reach the maximum spending amount. **REP. FAGG** distributed a listing of spreadsheet data element assumptions prepared by the Office of the Legislative Auditor at the request of the House Select Committee on school funding. **EXHIBIT 1**

REP. PECK, House District 15, Havre, said he believes HB 667 addresses some of the important issues ignored in HB 28. He stressed the importance of budgetary caps. He discussed special education funding. He referred to page 60, section 24 which dealt with allowable costs. Allowable costs are defined as those instructional costs defined in statute which are used to determine the amount of special education appropriation which is available to each district's special education program. He said this only partially funds all of current special education programs in Montana. In addition to that basis amount, there exists a contingency fund which pays for unexpected programs or needs of the public schools in the state. He said the provision which states all special education children should be counted for ANB purposes was accepted unanimously by the committee. This provision is very important. **REP. PECK** noted that students who are in special education classes more than half time, then they are not counted in the ANB for the school. He said there is thus no provision to pay for the costs related to classrooms, utilities, and administration. By counting special education students in the ANB of schools this deficiency will be overcome. He emphasized the current program does not pay the basic costs previously mentioned if a child is in special education classes half-time or more.

REP. BOHARSKI discussed page 8, section 3, and noted under HB 667 some things will change from current law. He said, currently under HB 28, there are permissive and voted levies and a four percent cap. He said there are no more voted levies in HB 667 except for when school spending is above the maximum 100% line. The one provision in this case is on page 12, line 19-22, "whenever the trustees of a district adopt a general fund budget under the provisions of subsection (5), they may submit a proposition on the over-base budget levy to the electors of the district as provided in 20-9-353." The trustees may choose to hold a voted levy between the 80% and 100% levels. He noted with the advent of GTB, sixty-five percent of the schools went from their current level to the 135% level. He said in the process of constructing HB 667, the committee decided the low spending

schools would reach at least the 80% level within five years. The concern was that, as the bill is written, instead of the GTB being 121% of the average it is now 250% of 121% of the average. There will be a tremendous increase in mills if they are going to be subsidized, compared to the present level. He said the entire model and every spread sheet is built on the assumption, with regard to the cost in state aid, is that a district's difference will be made up in five years. It will not necessarily take into account an increase in enrollment in the school. In a worst case scenario, if everyone below the 80% line were to increase to that line in the first year, there would need to be an additional 6.8 million dollars put into HB 667. He emphasized that low spending schools must increase their budgets by at least 50% of the difference from their present level and the 80% spending amount. If 104% of the previous year's budget is bigger than that amount then the school can increase to that amount. The new calculation per ANB has been changed to include a change in the enrollment of a school. The new cap works by taking the dollar amount per ANB, multiplying it by 104%, then multiplying that number by the new number of students. The largest of those three numbers is the amount by which a district may increase to reach the 80%. He said without those caps the state could possibly be faced with needing to contribute an extra 6.8 million dollars.

REP. KADAS, House District 55, Missoula, stated his proposal for use of non-levy revenue has not been included in the bill, but he wanted the committee to know "there is a large amount of money out there." Currently, non-levy revenue exists as a number of different kinds of revenue. The different kinds include a variety of resource taxes, (local government severance tax, flat tax, coal growth proceeds), vehicle fees, and dollars from the property tax replacement on corporate income tax to financial institutions. He said cash reappropriated, interest earnings, and tuition are other types of non-levy revenue. Currently all of these non-levy revenues are counted. First, a district receives its foundation program payment. The district must then "count its non-levy revenue toward its permissive amount and any amount between the amount after the district has counted its non-levy revenue and how much is left in the district's permissive authority up to 135%." A district can then use its permissive authority and can receive GTB, if eligible. **REP. KADAS** noted he wanted to take those first five types of non-levy revenue mentioned out at the point they enter the permissive level and equalize the total of them all. This amount would be put into the foundation program and would equal approximately fifteen million dollars. He said this would result in putting more dollars into the base of the foundation program amount. It would also address the fact that a large portion of the amount is the cause of a large part of the "dis-equalization" on the tax base side. He stressed there is "dis-equalization" on the revenue (tax based) side as well as the expenditure side. He said the inequality on the tax based side is in fact largely responsible for the "dis-equalization" on the expenditure side. He emphasized the point that it is a lot easier for a wealthy district to raise money for

children that it is for a district which is poor. House bill 667 would help to balance out this discrepancy because it would take some of the wealth from the very wealthiest districts and distribute it to everyone else.

REP. KADAS explained the stop-loss portion of the bill. He said the stop-loss figure is the point at which a school no longer figures in the reducer amount for students. The schedules should recognize certain economies of scale. The question arises as to what the schedules should be based upon, the measure by which the legislature allows total funding. He commented on the regression analysis using all schools, minus five percent of the high and five percent of the low spenders. He said economies of scale diminish as schools increase in size. At some point these economies of scale are eliminated, thus the rationale for the stop-loss. The rationale for choosing the stop-loss was indicated on a handout distributed to the committee. **EXHIBIT 2**

REP. KADAS explained the regression per ANB line, on the first page, crosses over the high ANB school's line because of a discrepancy in economies of scale. It was indicated this is not desirable. The minimum and maximum should bound the best-fit regression line with relatively the same proportion. With a stop-loss set at 1000, the model more accurately fits the definition, although the lines are not equally proportional between the minimum and maximum lines. He suggested if a lawsuit were to come of this plan it would be because of a complaint by the urban and not the rural schools.

REP. SIMPKINS, House District 39, Great Falls, stated there are many different ways of reaching true equalization. He said HB 667 is a compilation of many ideas attempting to reach that product. An informational packet was distributed to the committee. Referencing page three, **REP. SIMPKINS** called attention to the chart labelled "new budget analysis." The chart depicted where schools and ANB fit in the regression model. It indicates the number of schools which fall below the minimum, between the minimum and maximum, and above the maximum. He stressed that spending for 51,335 students would be increased while the spending for only 18,336 students would need to be reduced. He stated the budget cuts themselves were not necessarily cuts in cash for the last year's budget. The committee found that ninety-nine million dollars was the result of new increased spending mandated by law. In order to stand by the agreement previously made, it would be necessary to hold every district at the previous biennium's expenditure and reduce ninety-nine million dollars in the mandated increases. Out of the total ninety-nine million dollars, thirty-seven million was contributed to K-12 education. He noted the committee tried to minimize the impact by using different formulas. It was emphasized the plan is revenue neutral. **EXHIBIT 3**

REP. BOHARSKI distributed a list outlining the section of the bill and to which issues they relate. **EXHIBIT 4**

Proponents' Testimony:

Nancy Keenan, Superintendent of the Office of Public Instruction, stated she stood tentatively as a proponent. She commented on the good ideas brought forth in HB 667 and said it does bring schools closer to equalization. **Ms. Keenan** noted her support of equalization fashioned on a per pupil expenditure basis. House bill 667 takes a step in the right direction because it includes special education students in computing ANB, a critical part in any equalization plan. The third positive point is that it is revenue neutral for the fiscal year 1993. House bill 667 increases money to schools by fifty-three million dollars. In fiscal year 1993, the state spent three hundred eighty-three million dollars. With new enrollment for the year 1994, there will be a twelve million dollar increase. In fiscal year 1995, the expected increase in ANB will cost an additional twenty-one million dollars, which brings the total to four hundred four million dollars revenue neutral. This bill includes thirty-three million dollars in new ANB. She stated the bill "adds twenty million dollars above zero." **Ms. Keenan** stated the reason there are so many winners is because of that additional revenue. She said the one caution of the bill is that it does not address tax payer equity. The issue of non-levy revenue is a policy question the committee must answer. This bill started in the Select Committee with a 45% state share. House bill 667 in its present form defines a 40% state share. She said issue of whether the state can arrest capital outlay and transportation needs to be addressed. If the sales tax does not pass, then the legislature has not addressed two important components of the supreme court decision, capital outlay and transportation. She noted the concern of OPI with regard to the complexity of the caps. She suggested if the committee wanted to pass the bill the effective date should be changed to an effective immediately date rather than to leave it as the first of July. She emphasized the effective date is critical. **Ms. Keenan** asked the committee to weigh the possibility that any changes made to the bill could have serious ramifications.

Wayne Buchanan, Board of Public Education, prefaced his remarks by stating the Board has not taken a position on this specific funding measure. **Mr. Buchanan** stated HB 667 provides the best chance, currently proposed, of putting the present lawsuits to rest. He said he could not comment on the technical aspects of the bill.

Eric Feaver, Montana Education Association (MEA), stood in support of HB 667 and said he could be a greater proponent of the bill if SB 32 was incorporated into the content. He said MEA believes the caps on districts below 80%, the caps for the school districts between 80% and 100%, and the caps on districts spending above 100% should all be removed. **Mr. Feaver** stated MEA believes schools should be able to have a voted trustees imposed levy (permissive) only between the 80% and 100% levels. If that

levy failed, he said school districts should be allowed to maintain their current budget authority without a vote as long as they stayed between the 80% and 100% levels. He urged the committee's support of HB 667 and its consideration of MEA's concerns.

Pat Melby, Underfunded Schools Coalition, stood in support of HB 667 noting the Coalition's support of the bill is not unqualified. He said the proposed plan is a major diversion from the present. He suggested there might be consequences of the plan not yet realized. He stated HB 667 is shackled with "caps within caps" and suggested the 100% cap should be sufficient. It was noted the question of capital outlay is not properly addressed. **Mr. Melby** stated the legislature should have more confidence in local trustees. He said the bill could lend itself to an over-reliance on local property taxes, the very thing that got education in the state its present predicament.

Bruce Moerer, Montana School Boards Association (MSBA), offered qualified support for HB 667. He said it appears as though it will equalize better than the current system. **Mr. Moerer** said limits on growth for those schools below 80% are neither beneficial nor necessary. He commented that most people in education do not like caps. **Mr. Moerer** said the lack of projected figures for the next couple of years does not make many people in education confident in the plan. He also stated capital outlay expenditures need to be equalized and stressed that SB 32 needs either to be attached to HB 667 or passed on its own. He asked for an effective immediately date and related MSBA's support for a permissive levy in the top 20% of the budget instead of a voted levy. He suggested that non-levy revenue should not be used at this point in time.

Ernie Jean, Superintendent of Florence-Carlton Public School and Department of Montana Superintendents, commented HB 667 addresses equalization and stated the concept of the bill has a great deal of merit. He reiterated many points previously made by other proponents. He said the bill could be criticized for not accepting a 135% cap on school spending. He emphasized that as an educator, any cuts in kindergarten through twelfth grade are unconscionable in any form.

Larry Fasbender, Great Falls Public Schools, stressed SB 32 needs to be incorporated into HB 667 or passed on its own. He stated HB 667 has real advantages but can also be manipulated to do detrimental things to education. He urged the passage of the bill, with a few minor modifications.

John Bergman, Laurel School Board Chairman, said the Laurel School is the lowest spending double A school district in the state. He said his school cannot offer the same programs as neighboring districts. His district is unable to raise the money out of local taxes. **Mr. Bergman** suggested the unsubsidized portion should be permissive rather than voted.

Penny Bertlesen, Sun River Valley Schools, stated she was neither a proponent nor an opponent to the bill but cautioned the committee that HB 667 does hurt her district at the elementary level. She asked the committee to consider the possible impact on schools which are considering consolidation.

Craig Brewington, Superintendent of Hellgate Public Schools, said his district has seen a seven percent enrollment increase every year for the past several years and expects this growth to continue. He noted a four percent cap on budget growth, as a school falls below the 80% level, does not address a seven percent increase in student enrollment. Because of this requirement, Hellgate Public Schools and other schools with enrollment increases of greater than four percent would never be able to reach the 80% level.

Brent Gaylord, School Board Trustee from Valier School District, urged the committee to continue working on HB 667. He asked that funding for K-12 education not be cut as a result of whatever decisions need to be made.

Bud Mahle, School Board Trustee from St. Ignatius School District, stood in support of HB 667. Written testimony was provided. **EXHIBIT 5**

Opponents' Testimony:

Don Waldron, Montana Rural Education Association (MREA), submitted written testimony in opposition to HB 667. **EXHIBIT 6**

John McNeil, Chairman of Montana Rural Education Association, said MREA has difficulty with the speed with which HB 667 is being considered. He said the major issue MREA has is with GTB. **Mr. McNeil** distributed printed information supporting his argument against the bill. **EXHIBIT 7**

Terry Minow, Montana Federation of Teachers (MFT), stated she appears in qualified opposition to HB 667. She said MFT continues to oppose using caps to force school spending to equalize downward. She insisted the absolute caps are particularly disruptive to districts with local taxpayers who are willing to pass high levies to maintain their school's quality. **Ms. Minow** said HB 667 eliminates the school board's and the community's ability to depend on their schools to meet the needs of their students. She suggested the state's obligation to fund schools may be eroded by HB 667. She said if state support is cut, the negative aspects of the bill will be greatly magnified. **Ms. Minow** offered improvements on HB 667. These changes consisted of including an guaranteed annual base adjustment so schools can count on a base increase which moves upward with inflation, removing the caps for those schools falling in the below 80% level and those falling in the 80%-100% category, removing the option to vote between 80%-100% level, and passing SB 32 (or incorporating it in to HB 667).

Bob Odermann, Business Manager, Butte School District, said Butte would be forced to decrease expenditures by one third. He said it is unreasonable to expect the quality of education in Butte to continue if the district is forced to spend $450.00 less per student in the next ten years than they are at the present time.

Debbie Shea, Butte Teacher's Union, said the consequences of HB 667 could be devastating to the Butte schools. She commented that many of the teachers in Butte will be in the high cost category because they are senior faculty with graduate degrees. She said the district will be affected in terms of what it receives in federal and local grants.

Duane Denny, Superintendent of Hinsdale Public Schools, stated, under HB 667, the taxpayers in his district would be required to pick up 60% of the cost of education instead of 20%. He explained his district gets neither GTB or PL-874 funds. He said quality teachers would be the ones to recognize a cut in salary in order to assist in decreasing the expenditures of the district. **Mr. Denny** asked the committee to consider the impact HB 667 will have on teachers' salaries. He said these salaries would be targeted because it is the only way many schools will be able recognize a cut in expenditures.

Bonnie Gagnon, District Clerk Cayuse Prairie Elementary School, stated she stood in opposition to HB 667 because of taxpayer inequity. She said it will cost her district 160 mills to get to the 100% level. **Ms. Gagnon** said a school which receives GTB aid will only be required to pay 17 mills for the same budget. She suggested the 900%-1000% difference is too high. She took the opportunity to urge support for SB 32.

Jim Anderson, Superintendent of Colstrip Public Schools, stated his district is not opposed to equalization. He stressed concern for the portion of the plan that requires schools to equalize downward. He said it should be a local option for the taxpayers to reach the level of expenditures they wish.

Rod Svee, Superintendent of Hardin Public Schools, noted his qualified opposition to HB 667. He said some of the deficiencies of the plan are the schedules upon which the system is based. He said the equalization plan should be based on what education costs and not on expenditure amounts. He suggested the plan is based on flawed assumptions. He reflected on the comment made by **REP. KADAS** about equalizing non-levy revenue, i.e. that it will be much easier for schools to pass levies that can afford to. He said it has recently been very difficult for his district to do so. The taxpayers in his district have been required to pay upwards to an 83% increase in taxes in recent years. He spoke in favor of keeping PL-874 money out of the equalization argument as it is a non-budgeted fund. He stressed that the educational system is constantly in a state of flux and asked the committee to consider his comments in their consideration of the bill.

Questions From Committee Members and Responses:

REP. HANSON asked if the Office of the Legislative Auditor could run a schedule to reflect a 2% and a 33% recapture rate for schools to reach the caps. **Jim Gillett** replied he could have it ready for the representative the following day.

REP. HARRINGTON asked **REP. SIMPKINS** asked about the amendment to be offered to the committee which will take fifty-two million dollars out of the bill and reduce the guaranteed mill value. **REP. SIMPKINS** said the amount would be thirty-seven to forty million, but the details have not yet been finalized. **REP. HARRINGTON** asked if a forty million dollar reduction will then be proposed. **REP. SIMPKINS** said there will be such an amendment. He said the amendment would attempt to hold budgeting to the last biennium's level. He said cuts in the model are designed to take into account the student number increase and the increased requirements for GTB. He said this will not affect every school in the same manner. **REP. HARRINGTON** asked what areas will be affected by further cuts in HB 667. **REP. SIMPKINS** said he did not have an exact answer for that and said it is ultimately up to this committee to decide where the cuts will be made. **REP. HARRINGTON** asked if these proposed changes will have an affect. **REP. SIMPKINS** answered by saying "if we even remove one dollar, it will have an affect."

REP. HANSON stated the figure of forty million dollars to which **REP. SIMPKINS** is referring is part of the revenue and expenditure agreement.

REP. SPRING asked **REP. SIMPKINS** how HB 667 addresses continued or abnormal growth. **REP. SIMPKINS** said the abnormal growth provision remains as in present law. He said districts can apply for more funds with the advent of unexpected growth. He stated the 104% of the average ANB cost can also be used to take care of the growth, i.e. to use 104% of the ANB (not of the budget).

REP. SPRING asked **Mr. Bergman** if he knew the mill value per ANB for Laurel Public School. **Mr. Bergman** said the value for the high school is approximately $25.43 and the amount for the elementary school is approximately $11.43.

REP. MCCULLOCH asked **REP. SIMPKINS** if HB 667 actually moves farther away from equalization because the state contribution was reduced from 50% to 40%. **REP. SIMPKINS** said it is best to look at equalization in two terms. He said it is necessary to look at the tax effort (the ability to raise money) and equalization per student expenditure. He said the Select Committee had to decide the state's share of the 80%. He suggested the percentage is less because GTB is not being used as part of the equalization plan. **REP. MCCULLOCH** questioned if it was true the plan was moving away from the state's contribution. **REP. SIMPKINS** replied it was not. He stated one must look at the amount put into GTB aid plus the direct support. **REP. MCCULLOCH** asked if ANB is still based on

enrollment and if more current enrollment figures have been considered. **REP. SIMPKINS** said the Select Committee will recommend using more current and thus more accurate enrollment figures. He stated the Select Education Committee's present revenue neutral plan is based on the information available.

REP. ROSE asked **Mr. Waldron** to explain the inequities in cost per student in rural school districts. He asked if the state should be responsible for paying 40% of those costs. **Mr. Waldron** replied that these high costs are the results of the isolation of these schools and their lower taxable valuation.

REP. WYATT commented the Auditor's Office stated HB 667 was not a consolidation bill nor an anti-consolidation bill. She asked **REP. SIMPKINS** if the model does indeed not have a predetermined direction in the area of consolidation. **REP. SIMPKINS** replied it is not the intent of the bill to address the consolidation question. He said some schools would benefit from consolidation based on the way in which the model is designed. He said, in this light, HB 667 might be perceived to encourage consolidation but it does not do so any more than the present system.

Closing by Sponsor:

REP. SIMPKINS stressed it is not the intent of HB 667 to hurt any school. He insisted that education needs to be addressed across the state of Montana as a whole. He contended the proposed equalization program has not been designed to alter the present system, but to create a new system which provides greater equality of funding. **REP. SIMPKINS** commented the caps came as a result of a compromise between the members of the Select Education Committee, some of whom did not want voted levies above the minimum and those of whom were concerned with permissive levies. He again explained the caps and the percentages under which they are enforceable. **REP. SIMPKINS** stressed HB 667 does not attempt to equalize on programs not part of basic quality education, as defined by the state. He insisted it is the intent of HB 667 to equalize schools in Montana and that this is accomplished in both an upward and downward direction. It was emphasized the equalization of capital, retirement, and transportation must be considered. **REP. SIMPKINS** indicated these questions need to be addressed at the committee level. He thanked those present for their suggestions to make HB 667 work better for education in Montana.

ADJOURNMENT

Adjournment: 6:15 p.m.

H.S. "Sonny" Hanson

REP. H.S. "SONNY" HANSON, Chair

Susan Lenard

SUSAN LENARD, Secretary

HSH/SL

HOUSE OF REPRESENTATIVES

Education and Cultural Resources **COMMITTEE**

ROLL CALL **DATE** 3/15/93

NAME	PRESENT	ABSENT	EXCUSED
REP. SONNY HANSON , CHAIR	✓		
REP. ALVIN ELLIS , VICE-CHAIR	✓		
REP. DIANA WYATT , VICE-CHAIR	✓		
REP. RAY BRANDEWIE	✓		
REP. FRITZ DAILY	✓		
REP. ERVIN DAVIS	✓		
REP. ED DOLEZAL	✓		
REP. DAN HARRINGTON	✓		
REP. JACK HERRON	✓		
REP. BOB GERVAIS	✓		
REP. BEA MCCARTHY	✓		
REP. SCOTT MCCULLOCH	✓		
REP. NORM MILLS	✓		
REP. BILL REHBEIN	✓		
REP. SAM ROSE	✓		
REP. DICK SIMPKINS	✓		
REP. WILBUR SPRING	✓		
REP. NORM WALLIN	✓		

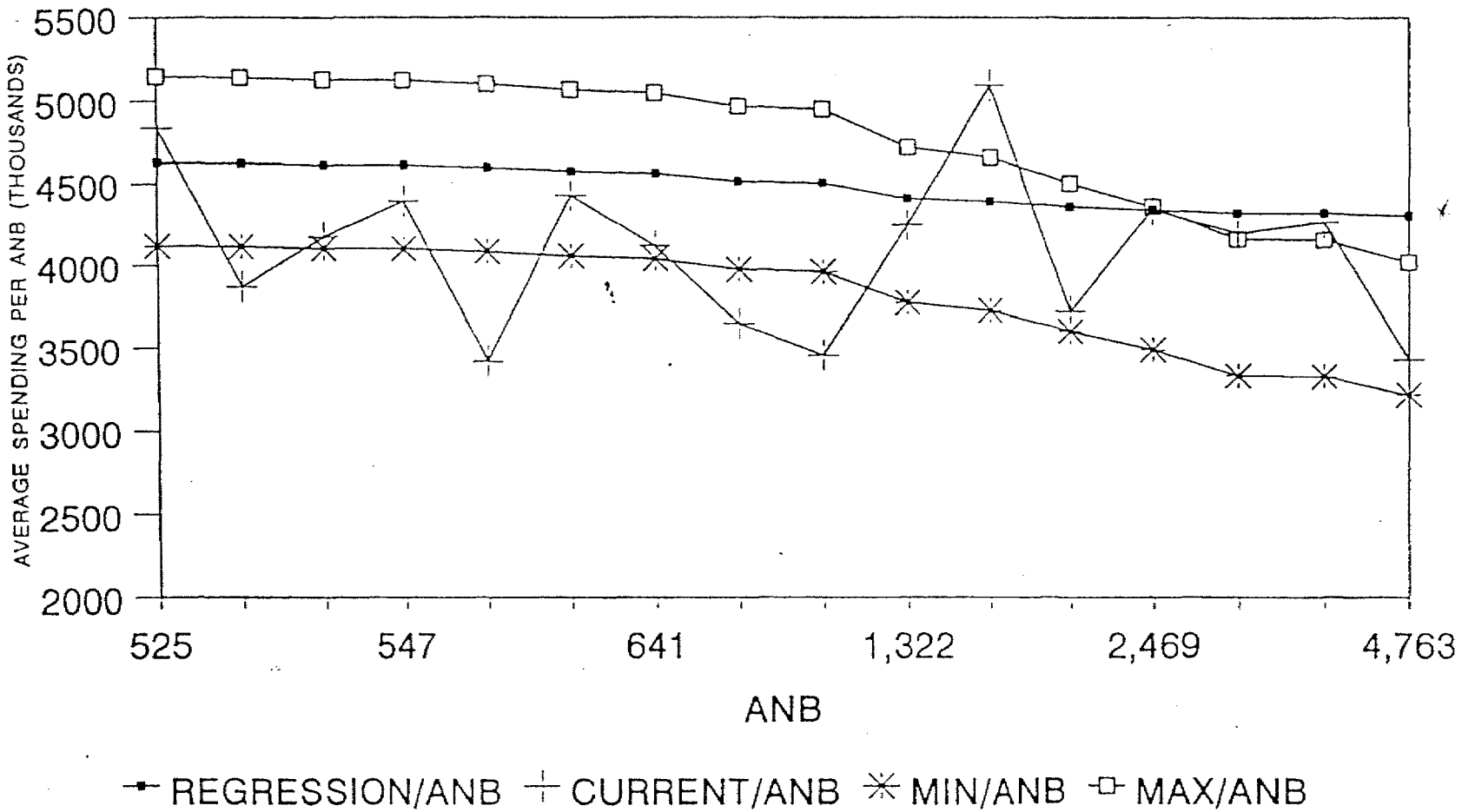
EXHIBIT 1
DATE 3/15/93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF THE HOUSE SELECT COMMITTEE ON SCHOOL FUNDING
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
SELCOMM3.WK1
12-Mar-93
12:01 PM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			250.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$562,512,474		
TOTAL SIMULATED GF BUDGETS	$564,877,137		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,861,336		
NEW STATE SUPPORT	$383,786,345		
STATE SUPPORT DIFFERENCE	($74,991)	($2,127,177)	$2,052,187
STATE EQUALIZATION %	89.08%		

EXHIBIT 2
DATE 3/15/93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (2500 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (1000 STOP LOSS)

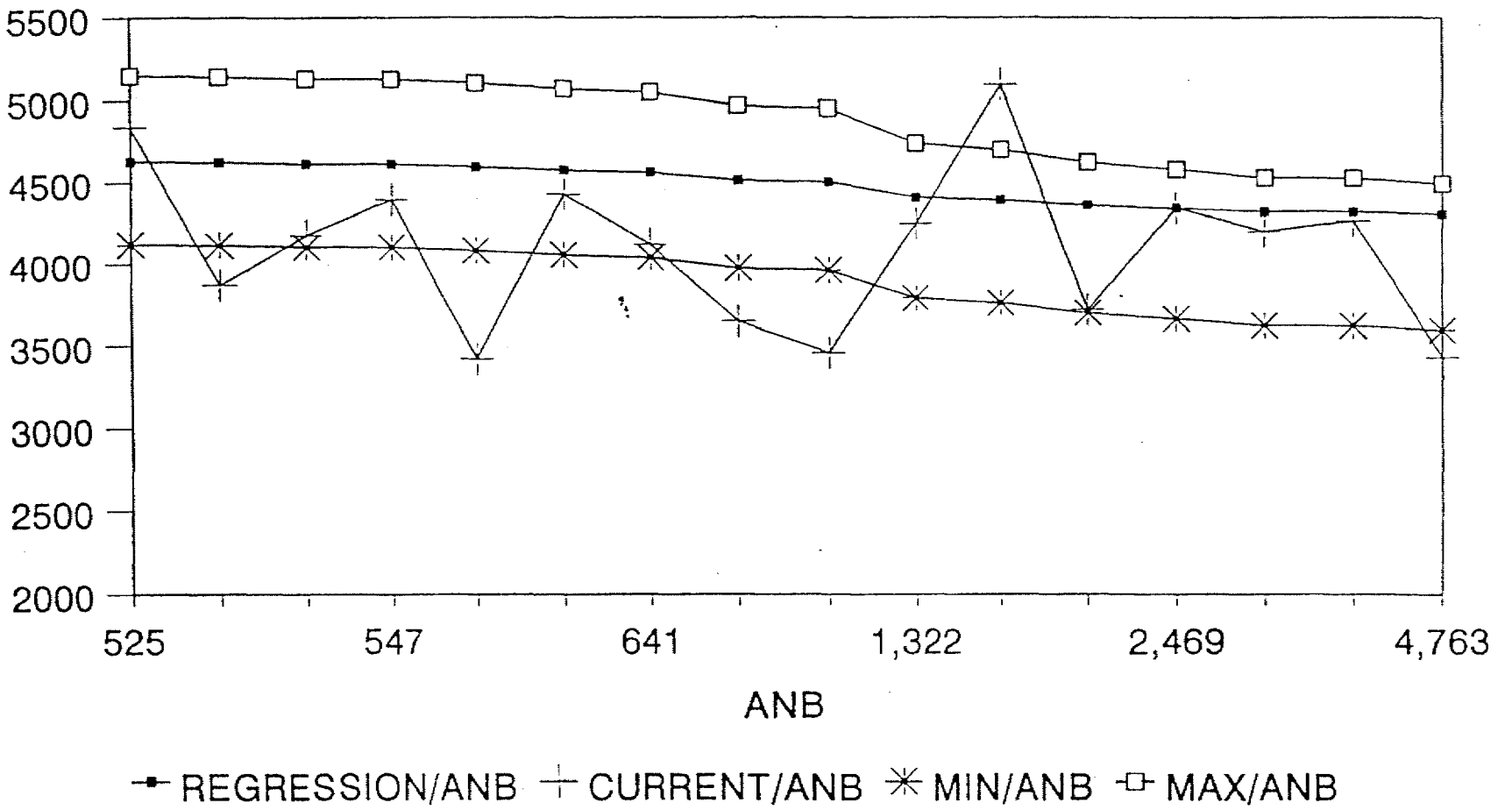
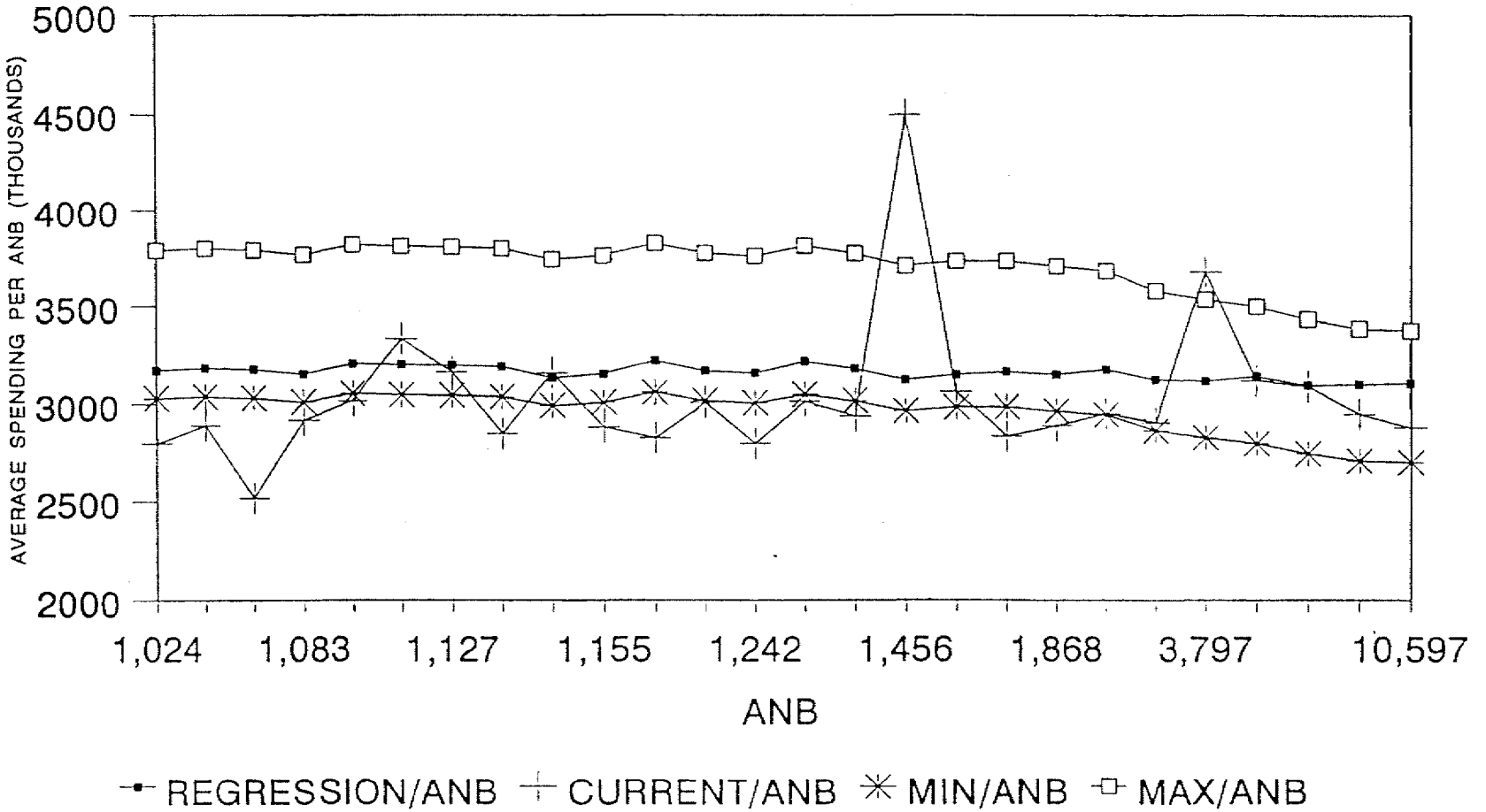
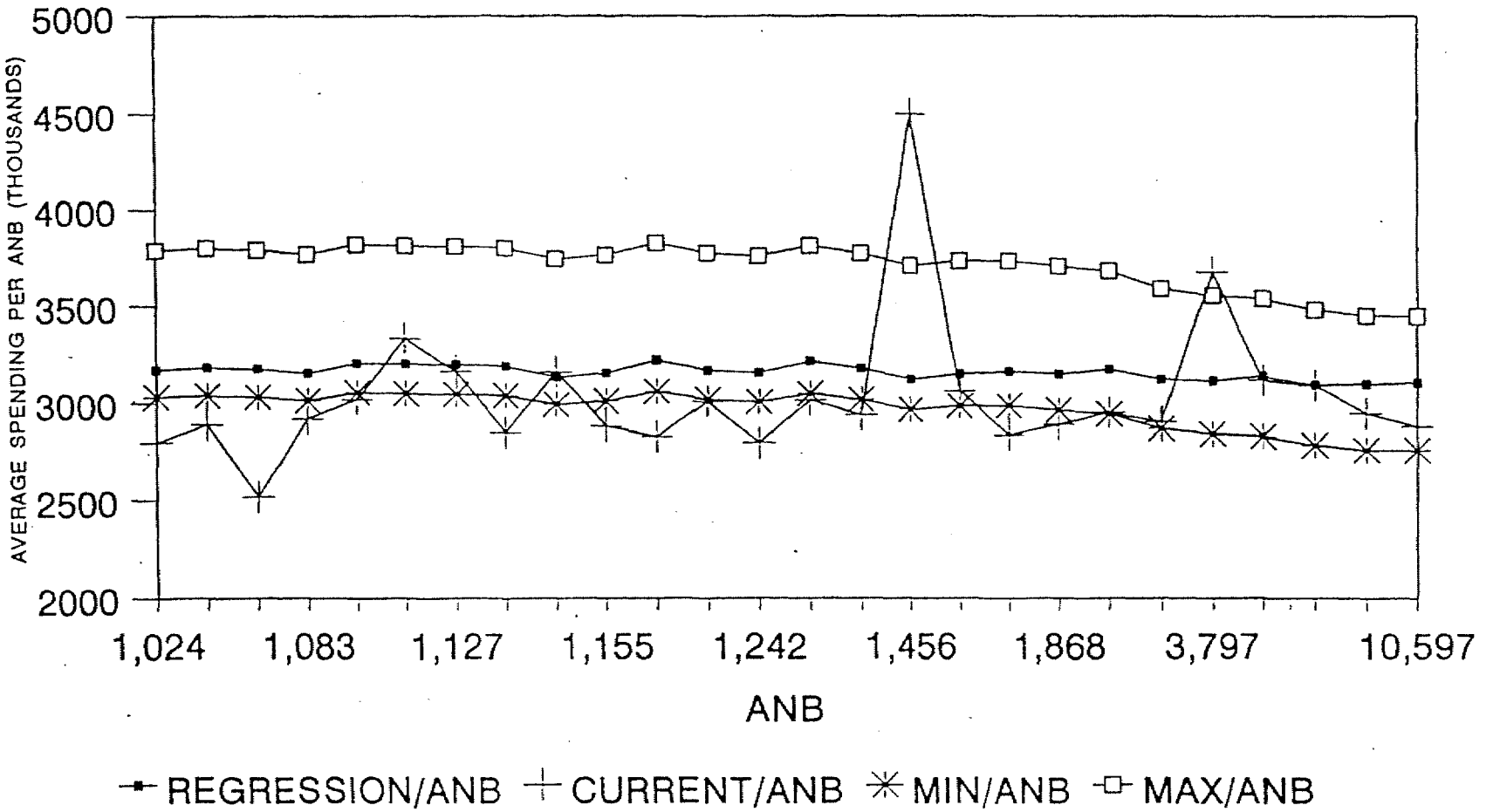


EXHIBIT 2
DATE 3/15/93
SB HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2500 STOP LOSS)



OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2000 STOP LOSS)



HOUSE EDUCATION COMMITTEE

EXHIBIT 3
DATE 3/15/93
HB 667

MEMORANDUM

The attached packet of information illustrates the impact of the House Select Committee's March 12, 1993, actions on House Bill 667. School districts' fiscal year 1992-93 budgets have been restated as though HB 667 had been in effect for fiscal year 1992-93. The packet includes an overview of the Equalization Model, definitions of terms used in the model and HB 667, statistic sheets, and a district listing.

House Bill 667, as amended by the Select Committee, provides state support in the manner outlined on the "Listing of Spreadsheet Data Element Assumptions." Following is an explanation as to why some of the data elements are set where they are.

1. The required low spender growth is set at 20% of the difference between fiscal year 1992-93 budget and the mandatory level; and the estimated district budget growth is set at 0%. HB 667 provides budget growth for these districts to the greater of the 20% difference, 104% of the prior year's budget, or 104% of the prior year's budget per ANB. However, the estimated budget growth is set at 0% because this is a restatement of fiscal year 1992-93 and not a projection to a future fiscal year. The attached spreadsheet assumes districts have already increased their fiscal year 1992-93 budgets to the extent desired and allowed under existing statutes.

2. The "required high spender reduction" was set at 0% because HB 667 was amended to freeze those districts (i.e. those whose fiscal year 1992-93 budgets exceed the calculated maximum under HB 667) at the fiscal year 1992-93 level for the first year of implementation. Any projection to fiscal year 1993-94 would also set these districts' budgets at the fiscal year 1992-93 level.

Again, the attached spreadsheet is a restatement of fiscal year 1992-93 budgets and is not intended to indicate budget or mill impacts on future fiscal years.

Please note: This complete exhibit may be located at the Historical Society. (This exhibit contains school funding analysis data and spread sheets for school districts in the state).

EXHIBIT 4
DATE 3/15/93
HB 667

1SEC	PG #	DESCRIPTION
1	4-7	DEFINITIONS
3	7-8	BASE FUNDING PROGRAM
3	8-12	BUDGET CALCULATIONS & CAPS
4	12-17	UPDATE COUNTY SUPERINTENDENT
5	17-21	UPDATE TRUSTEES (IMPACT AID FUND)
6	21-22	UPDATE TUITION (ELEMENTARY) ?
7	22-26	UPDATE HIGH SCHOOL TUITION ?
8	26-27	PRO-RATED JUNIOR HIGH SCHOOL OPERATING IN MULTIPLE DISTRICTS
9	27-29	GENERAL FUND BUILDING
10	29-31	K-12 FUNDING-BUDGET CALCULATIONS
11	31-35	GEN FUND OPERATING RESERVE - ✓ ? TRANSFER OUT 874
12	35-40	UPDATE EXCESS RESERVES - remove 874
14	41-45	COMPUTE GEN FUND NET LEVY - UPDATE AND FIX 874
15	45	DIRECT DISPOSITION OF 874
16	45	BUDGET AMENDMENT UPDATED
17	46-47	UPDATE AUTHORIZATIONS
18	47-49	BUDGET AMENDMENT RESOLUTION TO O.P.I.
19	49-51	ADD IMPACT AID FUND TO DEFINITIONS
20	51-53	NON-ISOLATED SCHOOL BASED FUNDING SPECIAL EDUCATION
21	53-54	JOINT DISTRICT BASE FUNDING PROGRAM
22	54-58	UPDATE SPECIAL EDUCATION A.N.B.
23	58-60	UPDATE A.N.B. UNUSUAL ENROLLMENT INCREASE
24	60-64	ALLOWABLE COST CONTAINMENT AND CONTINGENCY FOR SPECIAL EDUCATION

EXHIBIT 5
DATE 3/15/93
HB 667

TESTIMONY
HB 667

March 15, 1993

HB 667 does a good job of equalizing funding on a per student basis. However, the following are problem areas which need incorporation into the Bill:

1) Does not encourage consolidation of any kind; schools, administration, or services.

2) Does not address mandates issued by the Board of Education or OPI; mandated programs or restrictions do not have funding tied to them; ex; limit students per class; Gifted and Talented (July 1993, Special Education, etc.

Some of these should not be mandated in "classing" students--there are much better ways to handle these. All children are "gifted" in some way.

3) PL 874 becomes a part of general budgets. Should be designated funds and could be used for; debt service, construction, land acquisition. This is the only way some Reservation School Districts (such as district 28 where a mill is worth $1700) can construct buildings, add classrooms, or purchase lands. (Keenan's proposal is totally unsound.) Also 874

monies on Reservations should be allowed to be used as part of the District's 40% share under HB 667, because of low taxable evaluation.

4) HB 667 does not address the quality of education or a basic education program which is being funded. In order to have true equalization, in addition to equal dollars, we need to equalize educational opportunity.

Bud Mahle
Trustee - Sch. Dist. 28

EXHIBIT 6
DATE 3/15/93
HB 667

MONTANA RURAL EDUCATION ASSOCIATION
P.O. BOX 5418
HELENA, MONTANA 59604
(406) 442-8813
FAX (406) 442-8839

TESTIMONY ON HOUSE BILL 667

Don Waldron, Lobbyist
Montana Rural Education Association

The Montana Rural Education Association is intrigued with the equalization model of House Bill 667. We agree with many of the assumptions made in the data elements. It also has been refreshing to be part of the openness in the development of this bill.

We are an opponent of House Bill 667 for a couple of very fundamental reasons:

(1) The inequities in our present system in the treatment of smaller school districts and low taxable school districts have been carried forward and in some cases intensified;

(2) We have taken our case under the present system to court and feel that schools and the legislature both need to know what the legal system has to say in the court's decision. The new House Bill 667 funding formula has moved so fast that we fear the court will not have time to rule. The court's ruling is very important since we feel this new funding has some of the same problems.

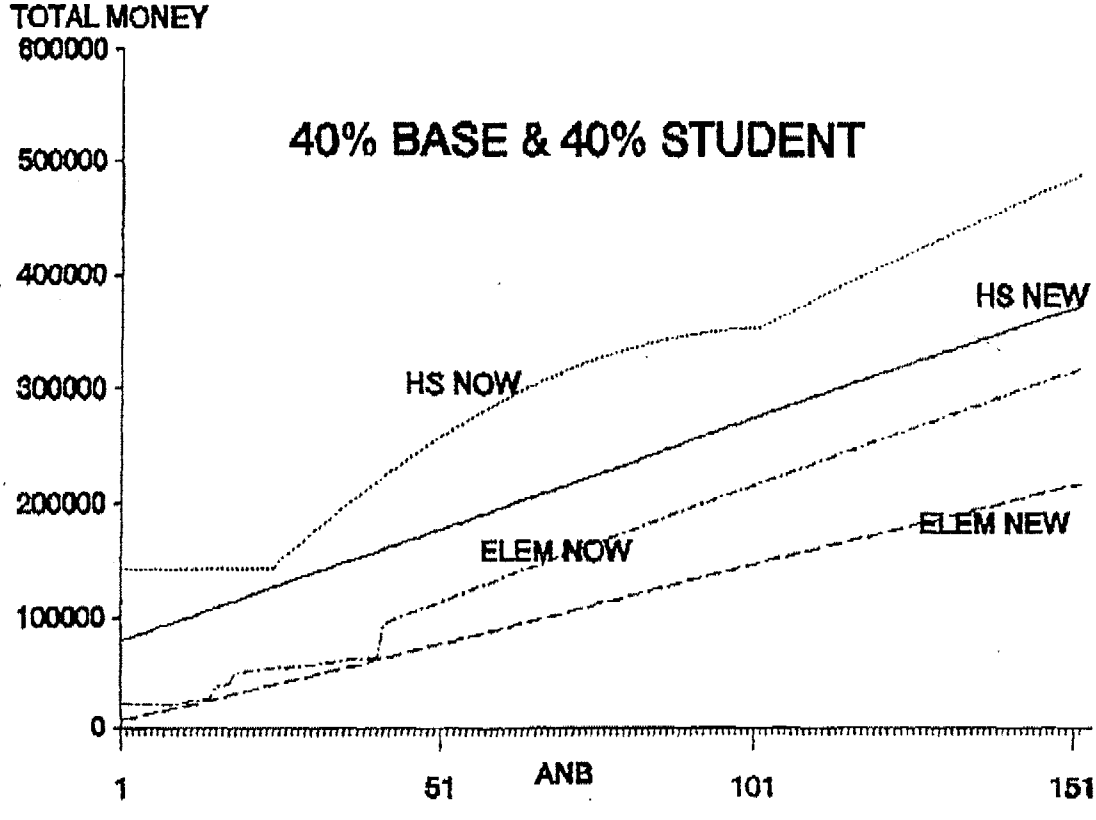
John McNeil, President of MREA, would like to share some data that helps illustrate our points of concern, along with showing you how a change in GTB would help equalize the tax

burden. Senate Bill 308 introduced by Senator Stang will go a long way in correcting the GTB problem of our present system. In the new system we double the disparity it includes. We have other concerns about the bill that are the same as you have heard from some of the proponents with qualifications which we will not repeat.

Our thanks again to the Legislative Auditor's Office staff and the members of the Select Committee for their openness and cooperation in the development of this funding system.

EXHIBIT 7
DATE 3/15/93
HB 667

FOUNDATION PROGRAM



FOUNDATION PROGRAM

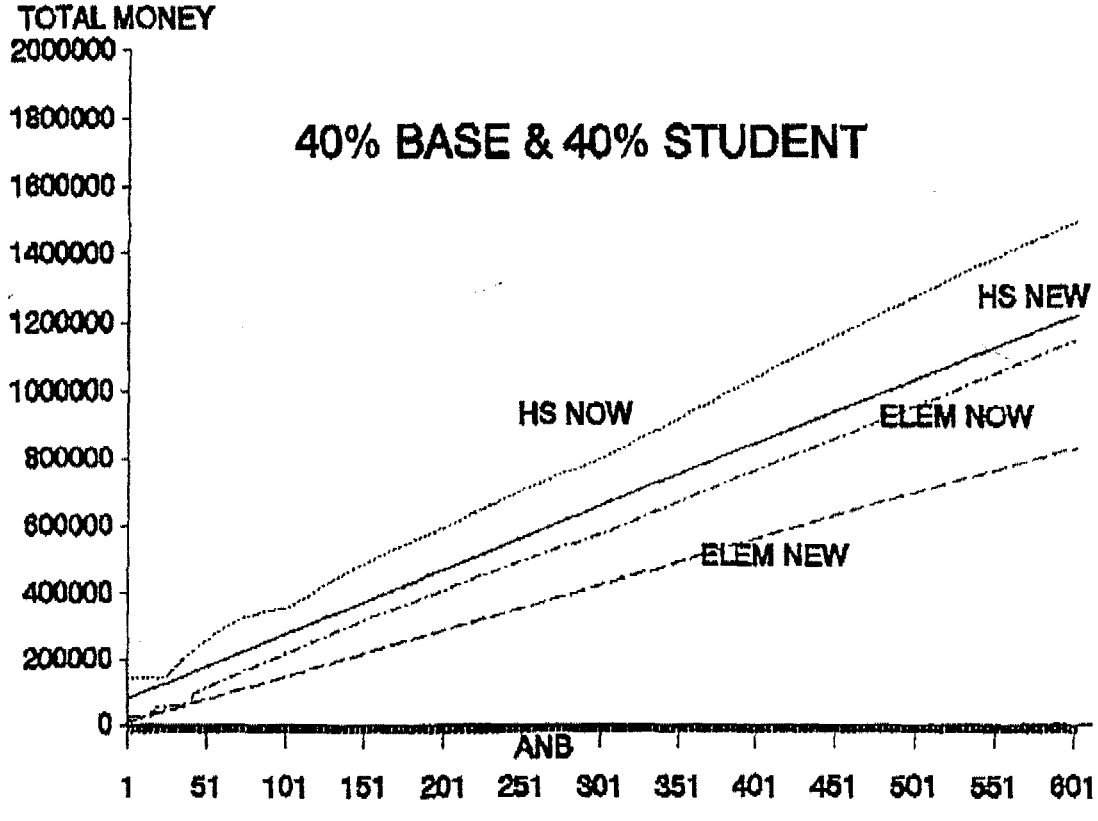


EXHIBIT 7
DATE 3/15/93
~~SB~~ HB 667

Effect on FP Ratios (Weights) by Addition of GTB, for Elementary; 1990-91

	Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
1 - 9 or less	1-6	1.81:1	3,738	1.64:1
2 - 10 - 17	2-6	1.18:1	2,443	1.07:1
3 - 18 - 40	3-6	1.10:1	2,287	1.00:1
4 - 41 - 100	4-6	1.29:1	2,686	1.18:1
5 - 101 - 300	5-6	1.13:1	2,480	1.09:1
6 - 300 up	6	1:1	2,287	1:1

Effect on FP Ratios (Weights) by Addition of GTB, for High Schools; 1990-91

	Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
- 24 or less	1-7	2.81:1	7,014	2.52:1
- 25 - 40	2-7	2.27:1	5,672	2.04:1
- 41 - 100	3-7	1.77:1	4,625	1.66:1
- 101 - 200	4-7	1.28:1	3,359	1.21:1
- 201 - 300	5-7	1.14:1	2,962	1.06:1
- 301 - 600	6-7	1.03:1	2,766	0.99:1
7 - 600 up	7	1:1	2793	1:1

90-91 GTB

	ANB	MILL VALUE PER ANB	PERM $ FP * 35%	ACT MILL VALUE	GTB MILL $44.73/ANB	PERM MILLS WITH GTB
BILLINGS	4579	31.88	3,998,611.	145,978.	204,851.	19.51
COLUMBUS	152	31.82	171,783.	4,837.	6,799.	25.26
VICTOR	75	32.93	114,397.	2,470.	3,355.	34.10
ST. REGIS	57	54.59	98,673.	3,112.	(2,549.)	(31.70)

90-91 WEIGHTED GTB

	ANB	FP RATIO	WEIGHTED ANB	ACT MILL VALUE	WEIGHTED GTB MILL $39.53/ANB	PERM MILLS WEIGHTED GTB
BILLINGS	4579	1.0	4579	145,978.	181,053.	22.08
COLUMBUS	152	1.294	197	4,837.	7,787.	22.08
VICTOR	75	1.75	131	2,470.	5,178.	22.08
ST. REGIS	57	1.982	113	3,112.	4,467.	22.08

RESULTS OF WEIGHTING GTB ON PERMISSIVE

	PERM MILLS NO GTB	PERM MILLS WITH GTB	PERM MILLS WEIGHTED GTB
BILLINGS	27.39	19.51	22.08
COLUMBUS	35.31	25.26	22.08
VICTOR	46.31	34.10	22.08
ST. REGIS	31.70	(31.70)	22.08

EXHIBIT 7
DATE 3/15/93
HB 667

SELECT COMMITTEE SCHOOL FUNDING BILL HB 667

	ANB	TARGET BUDGET	STATE $ BASE	MILL VALUE GTB/ANB
BILLINGS	4579	18,477,514.50	7,391,005.80	375,478.
COLUMBUS	152	939,062.00	375,624.80	12,464.
VICTOR	75	566,112.50	226,445.00	6,150.
ST. REGIS	57	478,502.00	191,400.80	4,674.

MILL VALUE GTB/BASE	PERMISSIVE $	PERM MILLS GTB/ANB	PERM MILLS GTB/BASE	MILLS TO FUND 20% LEVEL
332,595.	6,467,130.	17.22	19.44	25.32
16,903.	328,671.	26.31	19.44	38.83
10,190.	198,139.	32.22	19.44	45.84
8,613.	167,475.	35.83	19.44	30.75

A. EXAMPLE USES ONLY PERMISSIVE MILLS TO FUND PERMISSIVE $

B. GTB/ANB AT $82.00 PER ANB

C. GTB/BASE AT $.045 PER STATE BASE $

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION AND CULTURAL RESOURCES **COMMITTEE** **BILL NO.** HB 667

DATE MARCH 15,1993 **SPONSOR(S)** R. FAGG

PLEASE PRINT **PLEASE PRINT** **PLEASE PRINT**

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Ernie Jean	Florence-Carlton School Superintendents	X	
Ronald STEGMANN	E. HELENA, School Dist #9	X	
Charles Frost	Harlowton School District #6		
Richard F. Smith	STEVENSVILLE School Dist. #2	X	
Roland Loughya	W. Pond Schools		
Ron ZIER	Manhattan Schools # 3	X	
Terri J. Miller	Cayuse Prairie School - Flathead	X with reservations	
James H Miller	Cayuse Prairie - Kalispell	undecided	
KURT DYER Kurt Dyer	Brady Schools	undecided	
EARL MCKINLEY	TURNER SCHOOLS	?	?
Ronald Fox	Turner #43	?	?
CHRIS KOLSTAD	CHESTER #33		✓
Don Waldron	MBEA		✓
Patricia Herein	W.S.S #8	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION AND CULTURAL RESOURCES COMMITTEE BILL NO. HB 667

DATE MARCH 15, 1993 SPONSOR(S) R. FAGG

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE	
John McNeil	MREA SAVAGE		X	
KATHLEEN EATON	Moore Schools		X	As own written
Larry C Bucy	Stanford Schools		X	as current written
Duane A Demmy	Hinsdale Schools		X	
David C Kuhn	Nashua Schools			
Tony Tognetti	Stevensville Schools	X X X		Dist Coord
Bonnie Laemmon	Cayuse Prairie	with changes in taxpayer equity		
Gayle Cook	Ryegate SD #16			
Brent Haglund	Valier SD #9	✓		
Bob Matthews	Dawson Co. High	Support but some changes		
Susan Franklin	Fromberg SD 40	X		
Bob Vermillion	Butte SD #1		+	
Edna Hamilton	AFT			
Larry Pedersen	Great Falls Public Schools	✓		

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION AND CULTURAL RESOURCES **COMMITTEE** **BILL NO.** HB 667

DATE MARCH 15, 1993 **SPONSOR(S)** R. FAGG

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Daryl Bertelsen	Belt School #29		
STEVE JOHNSON	BOZEMAN #7	X	
CRAIG BREWINGTON	MISSOULA #4	X	
John Berg	Laurel School Dist.	Y	
Jim Anderson	Glasgow School Dist #19		✓
JIM STANTON	BAKER SCHOOLS		✓
GARY Steinwald	Billings Public Schools	✓	
Jim PALMER	Brady Public Schools	✓	
Terry Minow	MT Ed of Teachers		
Teresa McElwain			
Carol McElwain	Butte Silver Bow S.D.		
Linda CARLSON	St. Regis Schools	✓	
Debbie Shea	Butte		✓

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION AND CULTURAL RESOURCES COMMITTEE BILL NO. HB 667

DATE MARCH 15,1993 SPONSOR(S) R. FAGG

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Mike Button Plains	SD #1		
Leo Lorenz	Joint SD #7		
John S. Schultz	M.S.B.A. #27		
Cindi Yonnich	Ramsay Dist #3		
Carol Bradley	Twin Bridges		
Lorna Frazier		X	
T.C. Bud Mahle	Sch. Dist - 28 ST. IGNATIUS, MT	X	
Annette Laird	Montana City School	X stop on the Rep	
Eric Feaver	MEA	2	
Rodney Duncan	Hardin Public Schools		✓

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION AND CULTURAL RESOURCES **COMMITTEE** **BILL NO.** HB 667

DATE MARCH 15,1993 **SPONSOR(S)** R. FAGG

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Lori Jo Urtley 220 Liahona Ct. Kalispell	District #10 Flathead Valley School District (Trustee)		
Joe Brott 804 4th St. Valier, MT	District #18 Valier Supt.	~	
GLENN WOLFE. CHESTER, MT. 59522	DISTRICT #33 CHESTER TRUSTEE		✓
HARRY D. ERICKSON	Belgrade Schools	✓	
JACK EGGENSPERGER	DARBY SCHOOLS	X	
PENNY BERTELSEN	Sun River Valley Schools		
Gary A. Parker	Sun River Valley	?	?
Neil Packer	Stevensville schools	X	
Conrad Estates	Townsend Schools	X	
Roger Johnson	Jewlstown Schools	X	
Carter Christianson	Plevna Schools		~
Pat Melby	Underfunded Schools	✓	
Robert Allen	Westby School		✓
Calvin D. Moore	Medicine Lake		~

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MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Rep. H.S. "Sonny" Hanson, Chair, on March 17, 1993, at 3:00 p.m.

ROLL CALL

Members Present:

Rep. Sonny Hanson, Chair (R)
Rep. Alvin Ellis, Vice Chair (R)
Rep. Ray Brandewie (R)
Rep. Ervin Davis (D)
Rep. Ed Dolezal (D)
Rep. Jack Herron (R)
Rep. Bob Gervais (D)
Rep. Bea McCarthy (D)
Rep. Scott McCulloch (D)
Rep. Norm Mills (R)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Dick Simpkins (R)
Rep. Wilbur Spring (R)
Rep. Norm Wallin (R)
Rep. Diana Wyatt, Vice Chair (D)

Members Excused: None

Members Absent: Reps. Daily and Harrington

Staff Present: Andrea Merrill, Legislative Council
Susan Lenard, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: None
Executive Action: HB 667, HB 143

EXECUTIVE ACTION ON HB 667

Motion: **REP. SIMPKINS MOVED HB 667 DO PASS.**

Discussion:

REP. HANSON stated HB 667 is revenue neutral and set at a 250% mill guaranteed percentage, with a 20% low spender growth rate.

He noted a series of amendments were offered to the committee. The first amendment addresses some clean up work and reduces the 250% mill guaranteed percentage to 164%. He noted the amendment was initially designed to reduce the 250% to 176% but because of consideration of special education needs, it was reduced to 164%. **REP. HANSON** noted the "198" to be inserted on page 2, line 5, is derived by multiplying 164% by the 121% (already in statute). **EXHIBIT 1**

REP. HANSON stated that schedules with 164% mill guaranteed values were not ready to be presented to the committee.

REP. MCCARTHY suggested the committee to recess until those figures were available. She commented it was not fair to any school district to act on the bill without those calculations.

REP. HANSON insisted the direction is the same. He said the revenue neutral bill is being reduced by an amount of forty million dollars.

REP. HANSON asked **Jim Gillett, Office of the Legislative Auditor,** to comment on the change in the mill guaranteed percentage from 176% to 164%.

Mr. Gillett said "in the process of reducing that percentage, there was a major transition from restating 1993 under the system." He indicated it would result in a twenty million dollar annual reduction, based on 1993 ANB levels. "Because of the leveraging of local mills the addition of ANB causes the GTB costs to increase. This occurs because state support is following the students." He noted the Office of the Legislative Auditor "believes the 176% statistic is a fair representation of the mill affects of the equalization properties of the system. That is what equalization is doing with a twenty million dollar annual reduction. The mill affects for 1994 and 1995 projections will be far more dependent upon estimated district budget growth, which is at the option of trustees, than it is on the effects of the model itself." **Mr. Gillett** said by using the 164% value, "there is recognition of the growth in ANB and the utilization of only a finite amount of money."

REP. DAVIS asked **REP. HANSON** to identify the individuals who comprise the "we" when he spoke of "we" made these changes and suggested these amendments.

REP. HANSON replied that the direction was to work with the revenue neutral bill, HB 667. He said he started working with the Audit Department and exploring different scenarios last Saturday. **REP. HANSON** indicated he showed the new schedules to come members of the committee, **REPS. HARRINGTON** and **DAILY**, to show the direction he was trying go. His direction, based on the budget that was approved in the third week of this session, was to take out 39.6 million dollars out of grades K-12. **REP. HANSON** stressed the committee that the statistical model is complex and the many

variables allow for a variety of permutations. He indicated the goal has always been to come up with a reduction of forty million dollars for the biennium because that was the recommendation of the House.

REP. DAVIS commented he understood that point, but he commented he believed that is what the committee had accomplished over the last couple of days. He said at this point, with the many schedules in front of him, he was not certain as to the direction any of the available options.

REP. MCCARTHY stated it was her knowledge **REP. HANSON** had shared the first run with **REPS. HARRINGTON** and **DAILY** but not any subsequent ones. She contended the first run considered a 200% mill guaranteed percentage.

REP. MCCULLOCH maintained the previous discussions on these percentages considered changing the percentage by one or two points, not the twelve or twenty percent they were now considering. He asserted it was now impossible to figure out the amount these percentages will raise his district's cost without further information. He stated he would be unable to make a decision regarding these percentage changes without those details.

REP. ELLIS asked when the committee might be able to see a hard copy of those computations.

REP. HANSON emphasized that HB 667 is an equalization bill which would raise the lower spending districts and drop the higher spending districts. He stressed that is the direction of the committee while also being responsible for reducing the overall amount by forty million dollars.

REP. ELLIS stated that all of the committee members understand the intent of HB 667, but said it would be difficult to act on it in this manner, i.e. without all of the information.

REP. HANSON requested a printout from the Office of the Legislative Auditor of the projected millages with a mill guaranteed percentage of 164%.

Mr. Gillett offered to explain the differences between the 164% and 176% figures. He called attention to the fact that an increase in the number of ANB, with a fixed amount of state dollars, results in a decrease in the overall amount of support spent per student. He said the only difference between the 164% and the 176% scenario is "the acknowledgment of that support difference through the next biennium because of the growth in ANB." **Mr. Gillett** stated the effects of moving mills into fiscal year 1994 and 1995 cannot be compared to 1993 because one is not just projecting the effects of the 164% guarantee level. One must also consider the four percent budget growth. He said one cannot compare 1993 mills with 1994 and 1995 mills thinking they are

looking at the effects of a 164% guarantee level as compared to a 176% guarantee level. **Mr. Gillett** stressed the reduction in the guarantee level and a four percent projected budget growth must be considered.

REP. HANSON asked **Mr. Gillett** asked if the indicated effects of HB 471 and SB 235 on the various communities listed (for a guaranteed mill value of 176%) are valid.

Mr. Gillett expressed his belief that the figures "do not substantially misrepresent the situation." The effect on mills, of a difference in guaranteed mill percentages, would be mitigated by those districts with growth.

REP. DOLEZAL asked if the chosen model is not able to produce projections for the direction of mills in each individual county.

Mr. Gillett stated he could generate the effects on mills, but the effects on mills are no longer just the effects of moving from 176% to 164%. **Mr. Gillett** again emphasized that the effects of the projected changes in ANB and the projected four percent in budget growth are also factors.

REP. BOHARSKI, House District 4, explained the Select Education Committee produced HB 667, which was revenue neutral. He said the danger of handing out spreadsheets was becoming evident, that there is information on students for 1993, but the same information is not available for 1994. He emphasized that projected figures should not be taken too seriously, that all one can do is compare the spreadsheets with the current model.

REP. DOLEZAL asked for the intent of amendments six and seven (EXHIBIT 1). **Ms. Merrill** said the amendments apply to the sections on elementary and high school tuition. She indicated they clarify what is subtracted from tuition before a student is charged for a district's cost. She explained the two amendments are technical in nature.

Motion/Vote: **REP. BRANDEWIE** moved to amend HB 667. Motion carried 10 to 8 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH** and **WYATT** voting no. **EXHIBIT 2**

Motion: **REP. BRANDEWIE** moved to amend HB 667. **EXHIBIT 3**

Discussion:

Ms. Merrill stated the amendments transfer any trust fund balance left in the equalization aid account back into the general fund, remove the termination date on the income for the sale of timber on school lands and allow it to continue to be deposited in the equalization account, and continue the practice of paying part of the equalization payment into the next school year.

Vote: **HB 667 BE AMENDED.** Motion carried 10 to 8 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH,** and **WYATT** voting no. **EXHIBIT 4**

Motion: **REP. BRANDEWIE** moved to amend HB 667. **EXHIBIT 5**

Discussion:

REP. HANSON asked if the Office of Public Instruction wished to comment on the amendments.

Jan Thomson, Revenue Analyst, Office of Public Instruction, stated OPI has concern with the amendments because of language in the current law. Under present law, if a district does not spend their entire budget, OPI can capture a portion of ANB in proportion to the amount not spent. By inserting the amendment behind that language it would require OPI to recover GTB if their actual revenue receipts are more than anticipated. **Ms. Thomson** stated OPI could actually recover twice from a district because two different sets of language for recovery purposes exist.

Kurt Nickolson, Office of Budget and Finance, said the intent of the amendment is to address the occurrence of under-estimation of non-levy revenue with the result that GTB costs are higher. The amendment would require that the excess in the estimates used in setting the GTB, if revenues came in higher than the estimates, would be converted in proportion to the way the GTB was calculated. **Mr. Nickolson** suggested this change would incur more active revenues, but suggested more time is needed to study the impact of the amendment.

Motion: **REP. HANSON** moved to postpone action on the proposed amendment. Motion carried by voice vote.

Motion: **REP. MCCULLOCH** moved to amend HB 667. **EXHIBIT 6**

Discussion:

REP. MCCULLOCH explained the amendment would bring the enrollment count to one year behind the current figures instead of the present time lag of one and one half years. He said this would result in fewer anticipate enrollment changes and fewer budget amendments.

REP. HANSON asked if the amendment would result in any expenditure of funds.

REP. MCCULLOCH replied he understood the amendments to be revenue neutral.

REP. HANSON asked **REP. SIMPKINS** if the Select Education Committee considered this amendment.

REP. SIMPKINS said the Select Education Committee "turned the amendment down" until the bill goes to the Senate in order to allow more time to determine the correct manner of computing the ANB based upon enrollment versus attendance.

REP. MCCULLOCH stated the committee never voted on this amendment.

REP. SIMPKINS asked **Kathy Fabiano, Office of Public Instruction,** if making this change will increase the count on the number of students. **Ms. Fabiano** stated it will increase it sooner than would occur under existing law.

Vote: **HB 667 BE AMENDED.** Motion failed 9 to 9 with **REPS. BRANDEWIE, HERRON, REHBEIN, ROSE, SIMPKINS, SPRING, WALLIN, ELLIS,** and **HANSON** voting no. **EXHIBIT 7**

Motion: **REP. WYATT** moved to amend HB 667. **EXHIBIT 8**

Discussion:

REP. WYATT announced the intent of the proposed amendment is to change the fifty cent decrease in terms of economies of scale down to twenty-eight cents. She said twenty-eight cents is a more reasonable estimation and might be more appropriate. **REP. WYATT** admitted this change will add $2,978,554 to the base of the bill. She said this issue needs to be addressed because the cost of educating special education students is very expensive.

REP. MILLS asked **REP. WYATT** how she determined twenty-eight cents to be an equitable figure. **REP. WYATT** replied it was her intent to maintain the present regression analysis and keep the distance between the maximum ANB, minimum ANB, current ANB, and the regression line constant.

REP. SIMPKINS stated he will not support this amendment. He said it would add money to the big schools and would increase the budget. In order to keep the costs down and keep to the agreed upon budget, acceptance of this amendment would require the committee to "go back to the drawing board." He suggested the amendment could result in some schools benefitting over others. He said the proposed bill, HB 667 as is, allows for equal growth in almost every school district.

Vote: **HB 667 BE AMENDED.** Motion failed 8 to 10 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH,** and **WYATT** voting yes. **EXHIBIT 9** Not transmitted from Legislature.

Motion: **REP. DOLEZAL** moved to amend HB 667. **EXHIBIT 10**

Discussion:

REP. DOLEZAL noted no proponent testified in favor of the caps located in HB 667. The amendment would eliminate all caps. He said the other portion of the amendment would change the effective date. The 1993 effective date would be changed to a 1994 effective date in an attempt to allow time to address some questions about the projected equalization plan presently not answered. He was concerned about the possibility of future equalization lawsuits and with the inability of schools to properly follow a plan which is not clearly understood.

REP. ELLIS spoke against the proposed amendments. He said HB 667 is a pro-school bill. He said a lot of superintendents would be given the opportunity to "work the system" and "jockey the plan to work out better for the school system" if the effective date was postponed.

REP. MILLS stated a majority of trustees of school board with whom he spoke want HB 667 to be in place by July 1, 1993.

REP. DOLEZAL said he believed the trustees may have told **REP. MILLS** as such, but probably did so using the revenue neutral HB 667 and not the one currently under consideration.

REP. SIMPKINS stated that superintendents of schools "are a lot smarter than we might give them credit for." He noted that many superintendents are excited about the plan. **REP. SIMPKINS** said HB 667 is a compromise bill. He insisted it was necessary to keep these compromises in the bill.

REP. DOLEZAL suggested that probably one of the easiest ways to manipulate the system was through the reserves. He stressed his amendments do not speak against equalization, but said the caps indirectly take away local control. He emphasized the position of the legislature and this specific committee when local control has been threatened in the past. He asked for the committee's support of the amendments.

Vote: **HB 667 BE AMENDED.** Motion failed 8 to 10 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH,** and **WYATT** voting yes. **EXHIBIT 11**

Motion: **REP. MCCULLOCH** moved to amend HB 667.

Discussion:

REP. MCCULLOCH offered to amend page 1, line 23. He asked to strike: "with the option of" and insert: "without." He said this would allow for permissive levies to take place.

REP. SIMPKINS said this amendment would remove another compromised portion of HB 667. He stated that people insisted on having voted levies.

REP. ELLIS commented he would be more comfortable with a 90% budgetary line, under which all levies below would be permissive, and all levies above would be voted. He said he was uncomfortable that HB 667 will force an increase in property taxes.

REP. MCCULLOCH indicated the words "with the option of" would allow a district to implement a four percent increase even if the voted levy fails.

Vote: **HB 667 BE AMENDED.** Motion failed 8 to 10 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH,** and **WYATT** voting yes. **EXHIBIT 12**

Motion: **REP. SIMPKINS MOVED HB 667 DO PASS AS AMENDED.**

Discussion:

REP. GERVAIS asked for the committee's permission to allow **Linda Brannon, Indian Impact Aid Schools,** to comment on the impact HB 667 would have on schools which receive PL-874 funds.

Ms. Brannon indicated she wanted to address the idea of taking PL-874 money and putting it into a separate fund. She observed that in doing so all of the schools heavily impacted by PL-874 money will be limited to an 80% budget. These schools will not likely be able to reach the 100% level because they will not have the resources to do so. **Ms. Brannon** said PL-874 money will not be able to be used in the area set under GTB either.

REP. ELLIS stated it was his understanding the reason the separate fund was proposed was not done so to limit Impact Aid districts, but to take it out of the process so those schools would not be handicapped.

REP. SIMPKINS asked an individual representing OPI to address the issue. **Dory Nielson, Office of Public Instruction,** said the intent was to put the money in a neutral position until the upcoming ruling from the federal government has been received. She indicated the issue raised by **Ms. Brannon** was valid and needs to be addressed.

REP. SIMPKINS asked **Ms. Nielson** if putting PL-874 money in this account precludes these schools from putting the money to use for educational purposes. **Ms. Nielson** said the money can be used for educational purposes but does precluded the money from being put into the general fund.

REP. HANSON suggested the issue has been brought to the attention of the committee and should be addressed during the Senate Education Committee.

Vote: **HB 667 DO PASS AS AMENDED.** Motion carried 11 to 7 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY,** and **MCCULLOCH** voting no. **EXHIBIT 13**

ADJOURNMENT

Adjournment: 5:40 p.m.

REP. H.S. "SONNY" HANSON, Chair

SUSAN LENARD, Secretary

HSH/SL

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL DATE 3/17/93

NAME	PRESENT	ABSENT	EXCUSED
REP. SONNY HANSON , CHAIR	✓		
REP. ALVIN ELLIS , VICE-CHAIR	✓		
REP. DIANA WYATT , VICE-CHAIR	✓		
REP. RAY BRANDEWIE	✓		
REP. FRITZ DAILY		✓	
REP. ERVIN DAVIS	✓		
REP. ED DOLEZAL	✓		
REP. DAN HARRINGTON		✓	
REP. JACK HERRON	✓		
REP. BOB GERVAIS	✓		
REP. BEA MCCARTHY	✓		
REP. SCOTT MCCULLOCH	✓		
REP. NORM MILLS	✓		
REP. BILL REHBEIN	✓		
REP. SAM ROSE	✓		
REP. DICK SIMPKINS	✓		
REP. WILBUR SPRING	✓		
REP. NORM WALLIN	✓		

First Amendment offered

amend. #1
EXHIBIT
DATE 3/17/93
HB 667

Amendments to House Bill No. 667
2nd Reading Copy

Requested by House Committee
For the House Committee on Education

Prepared by Andrea Merrill
March 16, 1993

1. Title, page 2, line 5.
Strike: "303"
Insert: "198"

2. Page 7, line 17.
Strike: "2,000"
Insert: "1,000"

3. Page 7, line 18.
Strike: "2,000"
Insert: "1,000"

4. Page 7, line 19.
Strike: "2,000TH"
Insert: "1,000th"

5. Page 9, line 2.
Strike: "act"
Insert: "section"

6. Page 22, lines 5 and 6.
Following: "~~schedules~~" on line 5
Strike: remainder of line 5 through "support" on line 6
Following: "of"
Insert: "any general fund budget amount up to"
Following: "budget"
Insert: "level"

7. Page 23, lines 8 and 9.
Following: "~~schedules~~" on line 8
Strike: remainder of line 8 through "support" on line 9
Following: "of"
Insert: "any general fund budget amount up to"
Following: "budget"
Insert: "level"

8. Page 37, line 13 through page 38, line 2.
Strike: subsection (7) in its entirety

9. Page 81, line 20.
Strike: "303%"
Insert: "198%"

EXHIBIT 2
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER

MOTION: Amend bill → #1

To Adopt Amendment #1

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt		✓
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

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Amendment #2
(moved by Rep. Brandewie)

EXHIBIT 3
DATE 3/17/93
HB 667

Amendments to House Bill No. 667
2nd Reading Copy

Requested by Representative Hanson
For the Committee on Education

Prepared by Andrea Merrill
March 17, 1993

1. Title, page 2, line 15.
Following: "FUND;"
Insert: "PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR STATE EQUALIZATION AID;"

2. Title, page 2, line 22.
Following: "MCA,"
Insert: "SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992,"

3. Page 68, lines 15 through 17.
Following: "account" on line 15
Strike: remainder of line 15 through "biennium" on line 17
Insert: "at the end of a fiscal year must be transferred to the general fund"

4. Page 71, line 19.
Following: "year,"
Insert: "one-half of"

5. Page 71, line 21.
Following: "aid"
Insert: ", and on the following July 15, the remaining payment to each district of state equalization aid, excluding any guaranteed tax base aid for the school fiscal year ending on the preceding June 30"

6. Page 85, line 14.
Following: line 13
Insert: **"Section 39.** Section 6, Chapter 14, Special Laws of January 1992, is amended to read:
"Section 6. **Effective date ~~--termination~~.** [This act] is effective on passage and approval~~, and [sections 3 through 5] terminate June 30, 1993~~.""
Renumber: subsequent section

EXHIBIT 4
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER

MOTION: Amend #2 - To adopt

(moved by Rep Brandewie)

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt		✓
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

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Amendments to House Bill No. 667
2nd Reading Copy

Requested by Representative Hanson
For the Committee on Education

Prepared by Andrea Merrill
March 17, 1993

1. Page 84, line 2.
Following: "expended."
Insert: "If actual revenue received from sources identified in 20-9-141(1)(b) exceeds the estimates used in the calculation of a district's general fund mill levy, the guaranteed tax base aid reverts in proportion to the ratio of guaranteed tax base aid per mill to the district taxable value per mill."

Amendment #3
(moved by Rep. Brandewie)

EXHIBIT 5
DATE 3/17/93
HB 667

Amendments Proposed by Rep. McCulloch

EXHIBIT 6
DATE 3/17/93
HB 667

Amendments to House Bill No. 667
2nd Reading Copy

Requested by Representative
For the House Committee on Education

Prepared by Andrea Merrill
March 16, 1993

1. Title, page 2, line 15.
Following: "FUND;"
Insert: "BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT FROM OCTOBER OF THE PREVIOUS YEAR;"

2. Page 54, line 25 through page 55, line 7.
Following: line 24
Strike: remainder of line 25 through "180" on page 55, line 7
Insert: "as follows:
(a) count the regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year; and
(b) multiply the enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school year and divide by 180.
(2) For the purpose of calculating ANB under subsection (1), up tp 7 approved pupil-instruction-related days may be included in the calculation.
(3)"

3. Page 55, line 7.
Strike: "However, when"
Insert: "When"

4. Page 55, line 9.
Following: "total"
Insert: "ANB"

5. Page 55, lines 10 through 13.
Following: "20-9-805." on line 10
Strike: remainder of lines 10 through 13
Insert: "(4)"

6. Page 55, line 16.
Following: "day."
Insert: "(5)"

7. Page 55, lines 17 and 18.
Following: "at" on line 17
Strike: remainder of line 17 through "from" on line 18

8. Page 55, lines 20 and 21.
Following: "one-half" on line 20
Strike: remainder of line 20 through "be" on line 21
Insert: "a pupil for ANB purposes"

9. Page 55, line 24.
Following: "ANB"
Insert: "for a kindergarten student"

10. Page 55, line 25.
Following: "pupil."
Insert: "(6)"

11. Page 56, lines 2 and 3.
Following: "the" on line 2
Strike: remainder of line 2 through "absence" on line 3
Insert: "pupil"

12. Page 56, lines 3 through 5.
Following: "in the" on line 3
Strike: remainder of line 3 through "considered" on line 5
Insert: "the count"

13. Page 56, lines 6 and 7.
Following: "ANB" on line 6
Strike: remainder of line 6 through "school" on line 7
Insert: "unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided for in 20-7-117, may not be included in the ANB calculations."

14. Page 56, line 16.
Following: line 15
Insert: "(8) If a student spends less than half the time in the regular program and the balance of the time in school in the special education program, the student is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of the time in school in the regular program and the balance of the time in the special education program, the student is considered regularly enrolled for ANB purposes."
Renumber: subsequent subsections

15. Page 58, line 4.
Following: line 3
Insert: "(11) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent of public instruction."

16. Page 60, line 21.
Following: line 20
Insert: "(7)(a) Immediately upon completion of the October enrollment count provided for in 20-9-311, the district clerk of a school district that anticipated an enrollment increase and, accordingly, increased the district ANB under the provisions of this section shall recalculate the district BASE budget and the maximum general fund budget in

accordance with [section 3], using the October enrollment count. If the actual enrollment is less than the anticipated enrollment, the district clerk shall recalculate the district levy requirement and notify the county superintendent, county assessor, and county treasurer of the reduced levy requirement.

(b) At the next regularly scheduled meeting of the board of trustees of the district, the trustees shall adopt a revised budget and notify the superintendent of public instruction and the county superintendent of schools of the revised budget and levy requirements."

17. Page 84, line 17.
Following: line 16
Insert: "**Section 36.** Section 20-9-311, MCA, is amended to read:

"**20-9-311. Calculation of average number belonging (ANB).** (1) Average number belonging (ANB) must be computed as follows: ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180~~

(a) compute an average enrollment by adding a count of regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divide by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) ~~However, when~~ When a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days~~.

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half ~~day attended or absent as the case may be~~ pupil for ANB purposes. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB for a kindergarten student may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his absence after the 10th day of absence~~ the pupil may not be included in the ~~aggregate days of absence and his~~ enrollment ~~in the school may not be considered~~ count used in the calculation of the ~~average number belonging until he resumes attendance at school~~ ANB unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~(8) The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) (i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes; or

(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes;

(b) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

(c) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

(d) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~(9) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled

students and special education students, using a format determined by the superintendent.""
Renumber: subsequent sections

18. Page 86, lines 2 and 3.
Following: "(4)"
Strike: remainder of line 2 through "." on line 3
Insert: "[Section 36]"

EXHIBIT 7
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER

MOTION: Amends. #4 (McCulloch)

(offered by Rep. McCulloch)

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills	✓	
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

9 9

EXHIBIT 8
DATE 3/17/93
HB 667

Amendments to House Bill No. 667
2nd Reading Copy

Requested by Representative Wyatt
For the Committee on Education

Prepared by Andrea Merrill
March 17, 1993

1. Page 6, line 22.
Strike: "50"
Insert: "28"

2. Page 7, line 16.
Strike: "50"
Insert: "28"

EXHIBIT 10
DATE 3/17/93
HB 667

Amendments to House Bill No. 667
2nd Reading Copy

Requested by Representative Dolezal
For the Committee on Education

Prepared by Andrea Merrill
March 17, 1993

1. Title, page 1, line 24 through page 2, line 3.
Following: "APPROVAL;" on line 24
Strike: remainder of line 24 through "ANB;" on page 2, line 3

2. Page 4, line 5.
Strike: "1993"
Insert: "1994"

3. Page 9, lines 19 through 25.
Following: "~~compute~~" on line 19
Strike: remainder of line 19 through "(5)(a)" on line 25

4. Page 12, lines 6 through 15.
Following: "shall" on line 6
Strike: remainder of line 6 through "(c)" on line 15

5. Page 32, line 3.
Strike: "1993"
Insert: "1994"

6. Page 32, line 4.
Strike: "1994"
Insert: "1995"

7. Page 85, line 17.
Strike: "1993"
Insert: "1994"

8. Page 85, line 18.
Strike: "1993"
Insert: "1994"

9. Page 85, line 22.
Strike: "1992"
Insert: "1993"

10. Page 85, line 23.
Strike: "1994"
Insert: "1995"

11. Page 86, line 1.
Strike: "1993"
Insert: "1994"

12. Page 86, line 4.
Strike: "1994"

Insert: "1995"

200,000
+490,000
690,000

4,900
109
490,000

EXHIBIT 11
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources **COMMITTEE**

ROLL CALL VOTE

DATE 3/17/93 **BILL NO.** HB 667 **NUMBER** _____

MOTION: Amend #6 — Dolezal

To Adopt Amendment proposed by Rep. Dolezal

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills		✓
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

8 10

EXHIBIT 12
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB667 NUMBER

MOTION: Amend - McCulloch

To Adopt Amendment proposed by Rep. McCulloch

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills		✓
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

8 10

EXHIBIT 13
DATE 3/17/93
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources **COMMITTEE**

ROLL CALL VOTE

DATE 3/17/93 **BILL NO.** HB 667 **NUMBER** _____

MOTION: DO PASS AS AMENDED

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

EXHIBIT
DATE 3/17/93
SB HB 667

FISCAL YEAR 1992–93 DISTRICT LEVIES & CHANGES RESULTING
FROM A $40 MILLION REDUCTION IN STATE SUPPORT OVER THE 1995 BIENNIUM.
COMPILED FROM OPI DATABASE (UNAUDITED)

MERC_63D.W
16–Mar–93
01:46 PM

AT THE REQUEST OF REP. "SONNY" HANSON

GTB LEVEL = 176% OF CURRENT
FIRST YEAR "COLA" = 0%
SECOND YEAR "COLA" = 0%
REQ'D LOW SPENDER GROWTH = 20%

UNDER SB

SORT SEQUENCE: COUNTY AND DISTRICT

COUNTY	DISTRICT	LEGAL ENTITY	HB 471 REP. SIMPKINS HB 471 CHANGE IN MILLS	YEAR 1 CHANGE FROM FY 93	YEAR 2 CHANGE FROM FY 93	YEAR 1 RESTATED WITH SB235	FISCAL YEA COUNTY TRSP MILLS
BEAVERHEAD	BEAVERHEAD CO HS	0006	4.55	–7.20	–7.20	–17.88	0.0(
BEAVERHEAD	DILLON ELEM	0005	12.01	2.60	2.60	–25.87	10.5
BEAVERHEAD	GRANT ELEM	0003	3.11	13.21	13.21	–15.26	10.5
BEAVERHEAD	JACKSON ELEM	0014	4.48	16.27	16.27	–12.20	10.5
BEAVERHEAD	LIMA ELEM	0008	6.23	29.23	29.23	0.76	10.5
BEAVERHEAD	LIMA H S	0009	6.24	13.70	13.70	3.02	0.0(
BEAVERHEAD	POLARIS ELEM	0012	3.68	8.24	8.24	–20.23	10.5
BEAVERHEAD	REICHLE ELEM	0015	5.52	33.41	33.41	4.94	10.5
BEAVERHEAD	*WISDOM ELEM	0010	0.00	14.61	14.61	–13.30	7.7
BEAVERHEAD	*WISE RIVER ELEM	0007	5.87	16.27	16.27	–11.64	7.7
BIG HORN	COMMUNITY ELEM	0022	1.86	10.43	10.43	4.00	3.9
BIG HORN	HARDIN ELEM	0023	10.97	23.70	23.70	17.27	3.9
BIG HORN	HARDIN H S	1189	0.00	0.00	0.00	–4.48	0.0
BIG HORN	LODGE GRASS ELEM	0025	89.64	0.00	0.00	–6.43	3.9
BIG HORN	LODGE GRASS H S	1190	0.00	0.00	0.00	–4.48	0.0
BIG HORN	PLENTY COUPS HS	1214	30.23	1.66	1.66	–2.82	0.0
BIG HORN	PRYOR ELEM	0021	–2.63	–57.35	–57.35	–63.78	3.9
BIG HORN	SQUIRREL CRK ELEM	0020	0.17	0.38	0.38	–6.05	3.9
BIG HORN	WYOLA ELEM	0026	–2.43	7.76	7.76	1.33	3.9
BLAINE	BEAR PAW ELEM	0048	2.60	20.84	20.84	1.79	12.(
BLAINE	CHINOOK ELEM	0028	12.53	21.74	21.74	2.69	12.(
BLAINE	CHINOOK H S	0029	5.00	12.02	12.02	5.87	0.(
BLAINE	CLEVELAND ELEM	0032	2.36	16.04	16.04	–3.01	12.(
BLAINE	HARLEM ELEM	0030	74.06	31.25	31.25	12.20	12.(
BLAINE	HARLEM H S	0031	17.22	11.95	11.95	5.80	0.(
BLAINE	HAYS–LODGE POLE ELEM	0046	3465.13	3511.52	3511.52	3511.52	
BLAINE	HAYS–LODGE POLE H S	1213	822.34	650.93	650.93	644.78	0.(

Please Note: This complete document may be located at the Historical

EXHIBIT 10
DATE 3/17/93
HB. 667

OFFICE OF THE LEGISLATIVE AUDITOR

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FISCAL YEAR 1991-92 COMPARISON OF BUDGET TO ACTUAL EXPENDITURES
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	BUDGET FY92 GF EXP LESS SP ED & 874	ACTUAL FY92 GF EXP LESS SP ED & 874	ACTUAL AS A % OF BUDG	SPENT 95% OR LESS OF FY92 BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	$1,741,856	$1,807,134	103.75%		
BEAVERHEAD	DILLON ELEM	$2,922,491	$2,921,650	99.97%		
BEAVERHEAD	GRANT ELEM	$77,442	$76,771	99.13%		
BEAVERHEAD	JACKSON ELEM	$78,726	$75,655	96.10%		
BEAVERHEAD	LIMA ELEM	$277,700	$266,071	95.81%		
BEAVERHEAD	LIMA H S	$248,573	$240,904	96.91%		
BEAVERHEAD	POLARIS ELEM	$33,585	$32,941	98.08%		
BEAVERHEAD	REICHLE ELEM	$76,013	$71,024	93.44%	*	
BEAVERHEAD	WISDOM ELEM	$112,595	$107,580	95.55%		
BEAVERHEAD	WISE RIVER ELEM	$79,592	$74,021	93.00%	*	
BIG HORN	BIG BEND ELEM	$31,922	$9,428	29.53%	*	**
BIG HORN	COMMUNITY ELEM	$84,343	$74,555	88.39%	*	
BIG HORN	HARDIN ELEM	$3,419,902	$3,118,024	91.17%	*	
BIG HORN	HARDIN H S	$2,330,233	$1,856,485	79.67%	*	**
BIG HORN	LODGE GRASS ELEM	$1,789,818	$1,661,938	92.86%	*	
BIG HORN	LODGE GRASS H S	$1,143,964	$1,032,224	90.23%	*	
BIG HORN	PLENTY COUPS HS	$221,357	$221,057	99.86%		
BIG HORN	PRYOR ELEM	$186,660	$184,978	99.10%		
BIG HORN	SQUIRREL CRK ELEM	$67,313	$54,406	80.82%	*	**
BIG HORN	WYOLA ELEM	$403,307	$399,877	99.15%		
BLAINE	BEAR PAW ELEM	$51,244	$51,080	99.68%		
BLAINE	CHINOOK ELEM	$1,148,558	$1,144,991	99.69%		
BLAINE	CHINOOK H S	$1,055,332	$1,023,065	96.94%		
BLAINE	CLEVELAND ELEM	$50,720	$50,596	99.76%		
BLAINE	HARLEM ELEM	$1,718,379	$1,453,829	84.60%	*	**
BLAINE	HARLEM H S	$632,478	$626,166	99.00%		
BLAINE	HAYS-LODGE POLE ELEM	$758,818	$748,391	98.63%		
BLAINE	HAYS-LODGE POLE H S	$481,141	$466,604	96.98%		
BLAINE	LLOYD ELEM	$33,199	$24,464	73.69%	*	**
BLAINE	N HARLEM COLONY ELEM	$33,754	$31,972	94.72%	*	
BLAINE	TURNER ELEM	$324,362	$331,332	102.15%		
BLAINE	TURNER H S	$292,742	$297,900	101.76%		
BLAINE	ZURICH ELEM	$188,868	$141,879	75.12%	*	**
BROADWATER	BROADWATER CO HS	$774,701	$826,277	106.66%		
BROADWATER	TOWNSEND ELEM	$1,188,727	$1,188,259	99.96%		
CARBON	BELFRY ELEM	$677,353	$489,939	72.33%	*	**
CARBON	BELFRY H S	$630,000	$347,931	55.23%	*	**
CARBON	BOYD ELEM	$52,749	$50,741	96.19%		
CARBON	BRIDGER ELEM	$586,853	$548,464	93.46%	*	
CARBON	BRIDGER H S	$530,958	$514,375	96.88%		
CARBON	EDGAR ELEM	$107,640	$84,608	78.60%	*	**
CARBON	FROMBERG ELEM	$403,807	$389,686	96.50%		
CARBON	FROMBERG H S	$399,885	$384,330	96.11%		
CARBON	JACKSON ELEM	$67,230	$67,216	99.98%		
CARBON	JOLIET ELEM	$693,600	$687,829	99.17%		
CARBON	JOLIET H S	$573,733	$573,548	99.97%		
CARBON	LUTHER ELEM	$79,329	$73,417	92.55%	*	
CARBON	RED LODGE ELEM	$1,141,047	$1,141,047	100.00%		
CARBON	RED LODGE H S	$704,527	$704,527	100.00%		
CARBON	ROBERTS ELEM	$317,468	$291,225	91.73%	*	
CARBON	ROBERTS H S	$309,489	$267,617	86.47%	*	
CARTER	ALBION ELEM	$32,221	$27,213	84.46%	*	**
CARTER	ALZADA ELEM	$55,458	$54,337	97.98%		
CARTER	CARTER CO H S	$532,047	$477,028	89.66%	*	
CARTER	EKALAKA ELEM	$436,781	$389,250	89.12%	*	
CARTER	HAMMOND-HAWKS HOME	$75,000	$66,634	88.84%	*	
CARTER	JOHNSTON ELEM	$23,646	$23,235	98.26%		
CARTER	PINE HILL-PLAINVW EL	$65,000	$49,025	75.42%	*	**
CARTER	RIDGE ELEM	$30,020	$27,645	92.09%	*	
CASCADE	BELT ELEM	$755,426	$753,013	99.68%		

Please note: Complete document may be located at the Historical Society.

3/17/93

EXHIBIT 17
DATE 3/17/93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE HANSON
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

17-Mar-93
11:50 AM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			174.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$561,861,049		
TOTAL SIMULATED GF BUDGETS	$564,225,711		
DIFFERENCE IN GF BUDGETS	$2,364,662	$1,286,274	$1,078,388
OLD STATE SUPPORT	$383,833,738		
NEW STATE SUPPORT	$364,045,255		
STATE SUPPORT DIFFERENCE	($19,788,483)	($15,183,246)	($4,605,236)
STATE EQUALIZATION %	88.81%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	300	25	29
HS	0	0	140	21	3
TOTAL SCHOOLS	0	0	440	46	32
ELEM ANB	0	0	103,841	3,213	1,456
HS ANB	0	0	36,544	5,277	793
TOTAL ANB	0	0	140,385	8,490	2,249

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE HANSON
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

17-Mar-93
11:50 AM

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PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT GUARANTEED MILL VALUE			174.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
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TOTAL SIMULATED GF BUDGETS	$564,225,711		
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STATE SUPPORT DIFFERENCE	($19,788,483)	($15,183,246)	($4,605,236)
STATE EQUALIZATION %	88.81%		

MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
	MILLS DOWN		MILLS UP		
NUMBER OF SCHOOLS/ANB	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10 LESS THAN 20	MORE THAN 20
ELEM	15	43	103	88	105
HS	16	36	51	44	17
TOTAL SCHOOLS	31	79	154	132	122
ELEM ANB	5,941	19,053	41,945	31,060	10,511
HS ANB	3,485	17,287	18,187	2,724	931
TOTAL ANB	9,426	36,340	60,132	33,784	11,442

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE HANSON
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

17-Mar-93
11:50 AM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			174.00%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$561,861,049		
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NEW STATE SUPPORT	$364,045,255		
STATE SUPPORT DIFFERENCE	($19,788,483)	($15,183,246)	($4,605,236)
STATE EQUALIZATION %	88.81%		

NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	154	121	79
HS	58	60	46
TOTAL SCHOOLS	212	181	125
ELEM ANB	34,999	61,249	12,262
HS ANB	16,336	20,217	6,061
TOTAL ANB	51,335	81,466	18,323

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 101 TO 200 ANB

EXHIBIT 18
DATE 3/17/93
HB 667

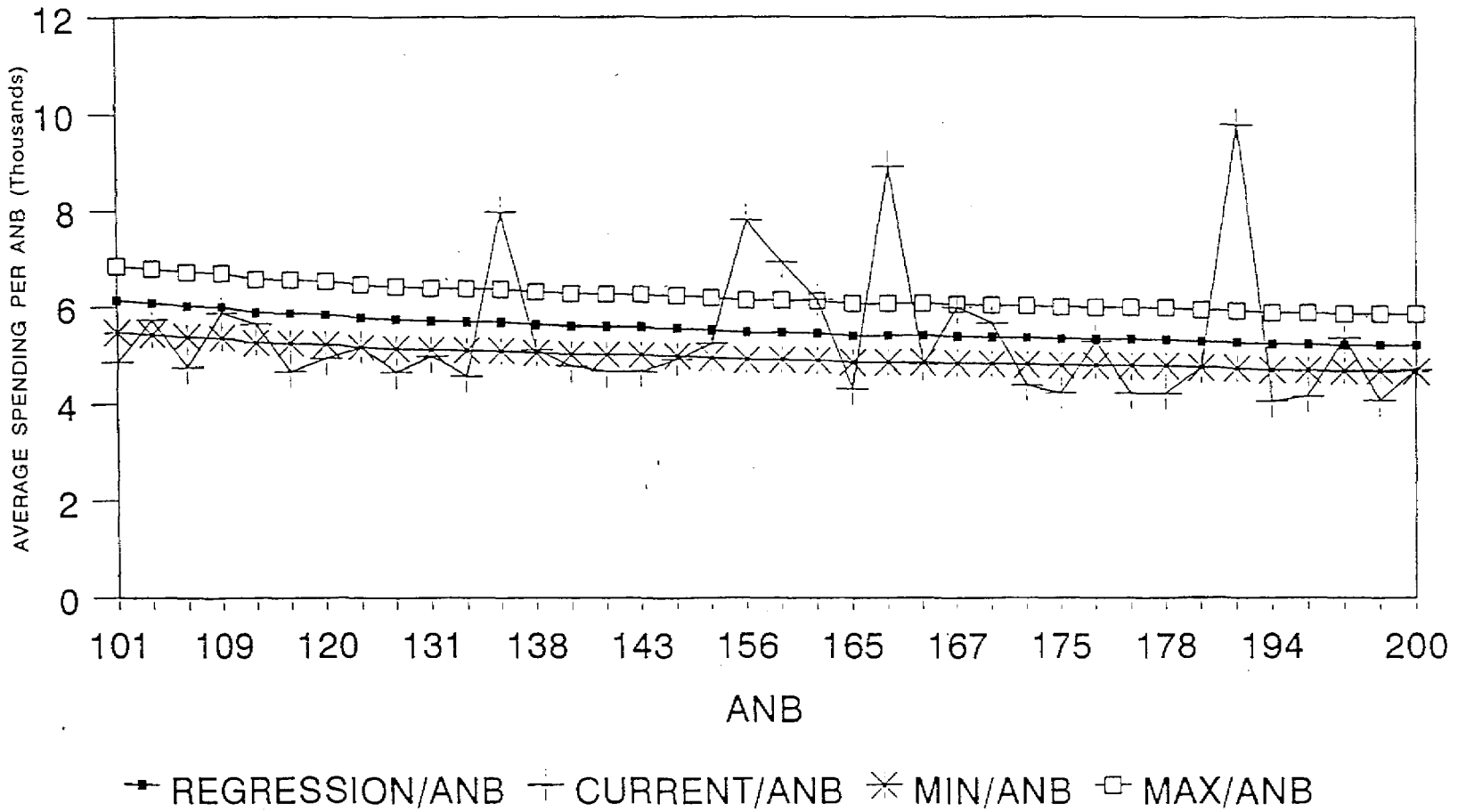


EXHIBIT 19
DATE 3/17/93
HB 667

HOUSE SELECT COMMITTEE ON EDUCATION

HB 667 EXECUTIVE ACTION -- MARCH 12, 1993

1. Changed the mix of state aid for the minimum or "BASE funding level" to:
   (a) 40% direct state aid for base entitlement and per-ANB amount
   (b) 40% guaranteed tax base aid for base entitlement and per-ANB amount
   (c) GTB mill guarantee to 303% of state TV (250% x 1.21)
   (d) Bill remains "state cost neutral"
2. Districts budgeting below the 80% minimum level are required to reach minimum in 5 years but growth is capped at greater of:
   (a) 104% of prior budget;
   (b) 104% of prior budget per-ANB; or
   (c) 20% of the range between current budget and minimum level
3. Delayed including any special education ANB within the plan (and the calculations) until 2nd year of biennium. Also made technical corrections in 20-9-321, etc. to better coordinate HB 667 with SB 348, Halligan, authorizing full-time special education pupils to be regularly enrolled for ANB purposes.
4. Changed the point at which the district ANB count is no longer subject to the reducer on the per-ANB amount (i.e., the "stop/loss" is now at 1,000 ANB for high school districts and 2,000 ANB for elementary districts)
5. Required districts above the maximum level to:
   (a) freeze budget growth for 1st year and reduce over-maximum budgets by 1% for the 2nd year -- voted levy election not required for those two years
   (b) reduce budget growth for 3rd year by 2% and thereafter by 3% until maximum level is reached -- voted levy required
6. Allow districts budgeting between the minimum or "BASE funding level" and the maximum budget level the option of seeking voter approval to increases in that 20% range
7. Added "WHEREAS" language to allow the Office of Public Instruction to expedite the implementation of HB 667
8. Created an impact aid fund to remove P.L. 81-874 from general fund

HOUSE STANDING COMMITTEE REPORT

March 18, 1993

Mr. Speaker: We, the committee on Education and Cultural Resources report that House Bill 667 (second reading copy -- yellow) do pass as amended .

Signed: /s/ Sonny Hanson
Sonny Hanson, Chair

And, that such amendments read:

1. Title, page 2, line 5.
Strike: "303"
Insert: "198"

2. Title, page 2, line 15.
Following: "FUND;"
Insert: "PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR STATE EQUALIZATION AID;"

3. Title, page 2, line 22.
Following: "MCA,"
Insert: "SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992,"

4. Page 7, line 17.
Strike: "2,000"
Insert: "1,000"

5. Page 7, line 18.
Strike: "2,000"
Insert: "1,000"

6. Page 7, line 19.
Strike: "2,000TH"
Insert: "1,000th"

7. Page 9, line 2.
Strike: "act"
Insert: "section"

Committee Vote:
Yes 11, No 7.

8. Page 22, lines 5 and 6.
Following: "~~schedules~~" on line 5
Strike: remainder of line 5 through "support" on line 6
Following: "of"
Insert: "any general fund budget amount up to"
Following: "budget"
Insert: "level"

9. Page 23, lines 8 and 9.
Following: "~~schedules~~" on line 8
Strike: remainder of line 8 through "support" on line 9
Following: "of"
Insert: "any general fund budget amount up to"
Following: "budget"
Insert: "level"

10. Page 37, line 13 through page 38, line 2.
Strike: subsection (7) in its entirety

11. Page 68, lines 15 through 17.
Following: "account" on line 15
Strike: remainder of line 15 through "biennium" on line 17
Insert: "at the end of a fiscal year must be transferred to the general fund"

12. Page 71, line 19.
Following: "year,"
Insert: "one-half of"

13. Page 71, line 21.
Following: "aid"
Insert: ", and on the following July 15, the remaining payment to each district of state equalization aid, excluding any guaranteed tax base aid for the school fiscal year ending on the preceding June 30"

14. Page 81, line 20.
Strike: "303%"
Insert: "198%"

15. Page 85, line 14.
Following: line 13
Insert: "Section 39. Section 6, Chapter 14, Special Laws of January 1992, is amended to read:
"Section 6. Effective date ~~--termination~~. [This act] is effective on passage and approval~~, and [sections 3 through 5] terminate June 30, 1993~~.""
Renumber: subsequent section

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0667, Second Reading, Second printing.

DESCRIPTION OF PROPOSED LEGISLATION:

"An act equalizing the student and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; calculating a maximum general fund budget for each school district based on a basic entitlement and a total per-ANB entitlement; allowing a district up to 5 years to budget 80% of the maximum general fund budget amount for the district, designated as the base amount for school equity (BASE) budget for districts; providing that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through direct state aid and that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through local revenue sources and guaranteed tax base aid if the district is eligible; providing that the remaining 20 percent of the maximum general fund budget of a district be funded with local revenue with the option of local voter approval; limiting general fund budget growth that is below the maximum general fund budget to 104 percent of the previous year's total general fund budget or 104 percent of the previous year's general fund budget per ANB multiplied by the current year's ANB; providing general fund GTB aid to eligible districts at 198 percent of the statewide taxable valuation per-ANB; requiring districts above the allowable maximum general fund budget to phase in budget reductions over a 5-year period, starting with a budget freeze in the first year of implementation, until the maximum general fund budget level is achieved; requiring voter approval of a district general fund budget above the maximum general fund budget, with an exemption from the voter approval requirement for the first 2 years of implementation; creating a federal impact aid fund; and amending and repealing various sections.

ASSUMPTIONS:

1. Average number belonging in the public schools will increase from 151,137 in Fiscal 1993 to 155,061 in fiscal 1994 and 158,282 in fiscal 1995. Full-time special education enrollments are at 2,338 in fiscal 1993 and will decline to 2,000 in fiscal 1995.
2. Fund balance available for reappropriation for the fiscal 1993 general fund budgets was $62.5 million due to a reduction in district operating reserves to 10%. Fund balance available for reappropriation for district general fund budgets will be approximately $38 million in each year of the 1995 biennium.
3. The revenue to fund the "GTB Budget Amount" will come from fund balance reappropriated, non-levy revenue, district property tax levies, and state equalization aid. The reduction in fund balance available for reappropriation from fiscal 1993 to fiscal 1994 will require that an additional $24.5 million be raised by a levy of which the state will contribute approximately $14 million.
4. Districts that are budgeting below the BASE budget level in fiscal 1993 will move toward the BASE budget level in equal increments over a five year period.
5. Maximum district general fund budgets excluding PL874 aid and special education allowable costs will grow from $562 million in FY93 to $580 million and $599 million in FY94 and FY95 respectively, allowing 3.3 and 3.1 percent increases.
6. Direct state support will total $263.9 million in fiscal 1994 and $272.0 million in fiscal 1995. Guaranteed tax base aid will total $112.9 million in fiscal 1994 and $118.1 million in fiscal 1995.

Dave Lewis 3-19-93

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Russell C Fagg 3/22/93

RUSSELL FAGG, PRIMARY SPONSOR DATE
Fiscal Note HB0667, 2nd Reading, 2nd printing

HB 667

7. The statewide mill value per ANB under existing statute is $17.98 per elementary ANB and 45.80 per high school ANB in fiscal 1994. The statewide taxable valuation for tax year 1993 (used for fiscal 1994 budgets) will be $1,612,902,500.
8. Districts will increase budget 4 percent per year unless the districts is above the maximum general fund budget or below 80 percent of the maximum general fund budget.
9. Inclusion of 2000 full time special education ANB in FY95 adds $3.93 million.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Expenditures:						
Direct State Aid	362,375,200	263,874,200	(98,501,000)	369,994,800	272,026,400	(97,968,400)
General Fund GTB	32,527,700	112,904,500	80,376,800	33,160,400	118,100,900	84,940,500
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Other	230,000	230,000	0	258,300	258,300	0
Total	412,316,650	394,192,450	(18,124,200)	421,257,100	408,229,200	(13,027,900)

Revenues: No impact on state revenue collections.

Net Impact: Expenditures from the state equalization account will decrease by $31.152 million in the 1995 biennium below current law estimates as a result of this bill.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Shifts in district property tax levies will occur as a result of this bill. Overall, district levies may increase because of the reduced state funding provided in the bill below the amount that would have been provided under current law. Some districts will be required to increase their general fund expenditures as a result of this legislation to bring them up to the BASE budget. Other districts will be required to reduce their general fund expenditures to bring their budgets down to the maximum general fund budget.

HOUSE BILL NO. 667

INTRODUCED BY FAGG, SIMPKINS, BOHARSKI, COBB

BY REQUEST OF THE HOUSE SELECT COMMITTEE ON EDUCATION

A BILL FOR AN ACT ENTITLED: "AN ACT EQUALIZING THE STUDENT AND TAXPAYER EQUITY FOR MONTANA PUBLIC K-12 EDUCATION BY RESTRUCTURING THE FUNDING AND BUDGET MECHANISMS FOR SCHOOL DISTRICT GENERAL FUND BUDGETS; CALCULATING A MAXIMUM GENERAL FUND BUDGET FOR EACH DISTRICT BASED ON A BASIC ENTITLEMENT AND A TOTAL PER-ANB ENTITLEMENT; ALLOWING A DISTRICT UP TO 5 YEARS TO BUDGET 80 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT, DESIGNATED AS THE BASE AMOUNT FOR SCHOOL EQUITY (BASE) BUDGET FOR THE DISTRICT; PROVIDING THAT ~~45~~ 40 PERCENT OF THE BASIC ENTITLEMENT AND ~~45~~ 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH DIRECT STATE AID AND THAT ~~35~~ 40 PERCENT OF THE BASIC ENTITLEMENT AND ~~35~~ 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH LOCAL REVENUE SOURCES AND GUARANTEED TAX BASE AID IF THE DISTRICT IS ELIGIBLE; PROVIDING THAT THE REMAINING 20 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET OF A DISTRICT BE FUNDED WITH LOCAL REVENUE ~~WITHOUT~~ WITH THE OPTION OF LOCAL VOTER APPROVAL FOR UP TO 90 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR A DISTRICT AND WITH THE REQUIREMENT OF LOCAL VOTER APPROVAL FOR ANY BUDGET AMOUNT BEYOND 90 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR A DISTRICT; LIMITING GENERAL FUND BUDGET GROWTH THAT IS ~~ABOVE THE BASE BUDGET ANB~~ BELOW THE MAXIMUM GENERAL FUND BUDGET TO 104 PERCENT OF THE PREVIOUS YEAR'S TOTAL GENERAL FUND BUDGET OR 104 PERCENT OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB; PROVIDING GENERAL FUND GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS AT ~~236~~ 303 ~~198~~ 195 PERCENT OF THE STATEWIDE TAXABLE VALUATION PER-ANB; REQUIRING DISTRICTS ABOVE THE ALLOWABLE MAXIMUM GENERAL FUND BUDGET TO ~~REDUCE BUDGETS BY AT LEAST 2 PERCENT PER YEAR~~ PHASE IN BUDGET REDUCTIONS OVER A 5-YEAR PERIOD, STARTING WITH A BUDGET FREEZE IN THE FIRST YEAR OF IMPLEMENTATION, UNTIL THE MAXIMUM GENERAL FUND BUDGET LEVEL IS ACHIEVED; REQUIRING VOTER APPROVAL OF A DISTRICT GENERAL FUND BUDGET ABOVE THE MAXIMUM GENERAL FUND BUDGET, WITH AN EXEMPTION FROM THE VOTER APPROVAL REQUIREMENT FOR THE FIRST ~~2 YEARS~~ YEAR OF IMPLEMENTATION; CREATING A FEDERAL IMPACT AID FUND; PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR STATE EQUALIZATION AID; LIMITING SCHOOL DISTRICT EXPENSES RELATED

TO GENERAL ADMINISTRATION, BUSINESS SERVICES, AND THE ACTIVITIES OF THE BOARD OF TRUSTEES; REQUIRING THE TRUSTEES OF A DISTRICT TO REQUEST VOTER APPROVAL FOR ANY ADMINISTRATION AND BUSINESS SERVICES EXPENSES THAT EXCEED 95 PERCENT OF THE AVERAGE EXPENDITURES IN CERTAIN PREVIOUS SCHOOL FISCAL YEARS; PROVIDING MATCHING FUNDS FROM THE STATE EQUALIZATION AID ACCOUNT FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT; AMENDING SECTIONS 20-3-106, 20-3-324, 20-5-305, 20-5-312, 20-6-506, 20-6-603, 20-6-702, 20-9-104, 20-9-113, 20-9-141, 20-9-143, 20-9-147, 20-9-162, 20-9-163, 20-9-201, 20-9-303, 20-9-305, 20-9-311, 20-9-314, 20-9-321, 20-9-343, 20-9-344, 20-9-347, 20-9-348, 20-9-351, 20-9-353, 20-9-366, 20-9-367, AND 20-9-368, MCA; REPEALING SECTIONS 20-9-145, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, 20-9-322, ~~20-9-348,~~ MCA, SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, AND SECTION 12, CHAPTER 6, SPECIAL LAWS OF JULY 1992; AND PROVIDING AN EFFECTIVE ~~DATE~~ DATES, A TERMINATION DATE, AND RETROACTIVE APPLICABILITY DATES."

WHEREAS, it is the intent of the Legislature to enhance both student equity and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; and

WHEREAS, for these purposes, the Legislature determines

that the foundation program funding mechanism of the past 4 decades be replaced with a public school funding system designed to yield greater equalization of both district general fund budgets per-ANB and district taxpayer efforts within a reasonable number of years~~.--The~~; THE Legislature has structured the base amount for school equity (BASE) funding program to contain components that can be modified to meet a number of state and school district objectives and economic realities but that will still maintain the essential elements of equalization as required by the Montana Constitution~~.~~; AND

WHEREAS, IT IS THE INTENT OF THE LEGISLATURE THAT FOR THE YEAR OF IMPLEMENTATION OF [THIS ACT], THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOCUS FIRST ON IMPLEMENTING PROCEDURES AND PROCESSES WITHIN [THIS ACT] AND ON ASSISTING SCHOOL DISTRICTS TO CALCULATE AND ADOPT ADEQUATE GENERAL FUND BUDGETS IN COMPLIANCE WITH [THIS ACT] AND THAT, AS SOON AS PRACTICAL AFTER THE ADOPTION OF DISTRICT FINAL BUDGETS, THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION IMPLEMENT ESSENTIAL RULEMAKING PROCEDURES; AND

WHEREAS, THE LEGISLATURE RECOGNIZES THAT SCHOOL DISTRICTS AND THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION WILL NEED ASSISTANCE IN ORDER TO IMPLEMENT [THIS ACT] BEFORE THE SCHOOL FISCAL YEAR BEGINNING JULY 1993 AND

INTENDS THAT THE OFFICE OF THE LEGISLATIVE AUDITOR PROVIDE AVAILABLE COMPUTER MODELS AND CONSULTATION, AS NECESSARY AND AS APPROVED BY THE LEGISLATIVE AUDIT COMMITTEE, TO THE OFFICE OF PUBLIC INSTRUCTION TO ENSURE THAT A TRANSITION TO THE PROVISIONS OF [THIS ACT] IS ACCOMPLISHED WITH A MINIMUM OF DELAY AND INCONVENIENCE TO THE DISTRICTS; AND

WHEREAS, THE LEGISLATURE INTENDS THAT THE IMPLEMENTATION OF [THIS ACT] BE ACCOMPLISHED WITH A MINIMUM OF ADDITIONAL REPORTING WORKLOAD AT THE DISTRICT AND STATE LEVEL AND THAT THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION, SCHOOL DISTRICTS, AND COUNTY SUPERINTENDENTS BE STRONGLY ENCOURAGED TO IMPLEMENT ELECTRONIC REPORTING AND TRANSMITTING OF DATA AND INFORMATION AS SOON AS PRACTICAL, USING EXISTING TELECOMMUNICATIONS NETWORKS, COMPUTER DISKETTES, OR ANY OTHER STANDARDIZED MEANS PRACTICABLE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1.** **Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.

(2) "BASE budget" means 80% of the maximum general fund budget of a district.

(3) "BASE budget levy" means the district levy in support of the BASE budget of a district, which may be

supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366 through 20-9-369.

(4) "BASE funding program" means the state program for the equitable distribution of the state's share of the cost of Montana's basic system of public elementary schools and high schools, through county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in support of the BASE budgets of districts.

(5) "Basic entitlement" means:

(a) $200,000 for each high school district; and

(b) $18,000 for each elementary school district without an approved and accredited junior high school or middle school; and

(c) the prorated entitlement for each elementary school district with an approved and accredited junior high school or middle school, calculated as follows:

(i) $18,000 times the ratio of the ANB for kindergarten through grade 6 to the total ANB of kindergarten through grade 8; plus

(ii) $200,000 times the ratio of the ANB for grades 7 and 8 to the total ANB of kindergarten through grade 8.

(6) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district and the total per-ANB entitlement for the district.

(7) "Over-BASE budget levy" means the district levy in support of any general fund amount budgeted that is above the BASE budget and below the maximum general fund budget for a district.

(8) "State equalization aid" means:

(a) direct state aid for any amount up to ~~45%~~ 40% of the basic entitlement and up to ~~45%~~ 40% of the total per-ANB entitlement budgeted in the general fund budget of a district; and

(b) guaranteed tax base aid for an eligible district for any amount up to ~~35%~~ 40% of the basic entitlement and up to ~~35%~~ 40% of the total per-ANB entitlement budgeted in the general fund budget of a district.

(9) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district, $4,900 for the first ANB decreased by 50 cents for each additional ANB of the district up to ~~2,500~~ 1,000 ANB, with each ANB in excess of ~~2,500~~ 1,000 receiving the same amount of entitlement as the ~~2,500th~~ 1,000TH ANB;

(b) for an elementary school district without an approved and accredited junior high school or middle school, $3,500 for the first ANB decreased by 20 cents for each additional ANB of the district up to ~~2,500~~ 2,000 ANB, with each ANB in excess of ~~2,500~~ 2,000 receiving the same amount

of entitlement as the ~~2,500th~~ 2,000TH ANB; and

(c) for an elementary school district with an approved and accredited junior high school or middle school, the sum of:

(i) $3,500 for the first ANB for kindergarten through grade 6 decreased by 20 cents for each additional ANB up to ~~2,500~~ 2,000 ANB, with each ANB in excess of ~~2,500~~ 2,000 receiving the same amount of entitlement as the ~~2,500th~~ 2,000TH ANB; and

(ii) $4,900 for the first ANB for grades 7 and 8 decreased by 50 cents for each additional ANB for grades 7 and 8 up to ~~2,500~~ ~~2,000~~ 1,000 ANB, with each ANB in excess of ~~2,500~~ ~~2,000~~ 1,000 receiving the same amount of entitlement as the ~~2,500th~~ ~~2,000TH~~ 1,000TH ANB.

NEW SECTION. **Section 2. BASE funding program -- district general fund budget -- funding sources.** (1) A basic system of free quality public elementary schools and high schools must be established and maintained throughout the state of Montana to provide equality of educational opportunity to all school-age children.

(2) The state shall in an equitable manner fund and distribute to the school districts the state's share of the cost of the basic school system through state equalization aid to support the BASE funding program in the manner established in this title.

(3) The budgetary vehicle for achieving the financing system established in subsection (2) is the general fund budget of the school district. The purpose of the district general fund budget is to finance those instructional, administrative, facility maintenance, and other operational costs of a district not financed by other funds established for special purposes in this title.

(4) The BASE funding program for the districts in the state is financed by a combination of the following sources:

(a) county equalization money, as provided in 20-9-331 and 20-9-333;

(b) state equalization aid, as provided in 20-9-343, including guaranteed tax base aid for eligible districts as provided in 20-9-366 through 20-9-369;

(c) a district levy, as provided in 20-9-302, for support of a school not approved as an isolated school under the provisions of that section; and

(d) district levies or other revenue, as provided by [section 3] and 20-9-353.

NEW SECTION. **Section 3. BASE budgets and maximum general fund budgets.** (1) For the school fiscal year beginning on [the effective date of this ~~act~~ SECTION], the trustees of a district shall adopt a general fund budget that:

(a) except as provided in subsection (2), is at least

equal to the BASE budget established for the district; or

(b) except as provided in subsection (3), does not exceed the maximum general fund budget established for the district.

(2) If the BASE budget for a district for the school fiscal year beginning on [the effective date of this ~~act~~ SECTION] is greater than the general fund budget of the district for the prior school fiscal year, the trustees of the district have 5 school fiscal years in which to ~~increase by at least equal increments~~ REACH the BASE budget calculated for the district in the ensuing school fiscal ~~years. If the general fund budget increase for the district as computed under the provisions of subsection (5)(a) is greater than any budget increase under this subsection, the district may compute~~ BY INCREASING THE GENERAL FUND BUDGET BY THE GREATER OF:

(A) 20% OF THE RANGE BETWEEN THE CURRENT GENERAL FUND BUDGET AND THE BASE BUDGET CALCULATED FOR THE DISTRICT FOR THE ENSUING SCHOOL FISCAL YEAR; OR

(B) the allowable general fund budget ~~increase~~ INCREASES under subsection (5)(a).

(3) (a) If the general fund budget for the school fiscal year immediately preceding the current school fiscal year is greater than the maximum general fund budget for the district for the current school fiscal year, the trustees of

the district may not adopt a general fund budget for the current school fiscal year that exceeds the ~~greater~~ GREATEST of:

(i) FOR THE SCHOOL FISCAL YEAR BEGINNING [ON THE EFFECTIVE DATE OF THIS SECTION], THE DISTRICT'S GENERAL FUND BUDGET FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR OR THE GENERAL FUND BUDGET PER-ANB FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES;

(II) FOR THE SECOND SCHOOL FISCAL YEAR FOLLOWING [THE EFFECTIVE DATE OF THIS SECTION], 99% OF THE DISTRICT'S GENERAL FUND BUDGET FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR OR 99% OF THE GENERAL FUND BUDGET PER-ANB FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES;

(III) FOR THE THIRD SCHOOL FISCAL YEAR FOLLOWING [THE EFFECTIVE DATE OF THIS SECTION], 98% of the district's general fund budget for the immediately preceding school fiscal year OR 98% OF THE GENERAL FUND BUDGET PER-ANB FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES;

(IV) FOR THE FOURTH AND SUCCEEDING SCHOOL FISCAL YEARS FOLLOWING [THE EFFECTIVE DATE OF THIS SECTION], 97% OF THE DISTRICT'S GENERAL FUND BUDGET FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR OR 97% OF THE GENERAL FUND BUDGET PER-ANB

FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES; or

~~(iii)~~(V) the maximum general fund budget for the district for the current school fiscal year.

(b) ~~The~~ EXCEPT FOR THE FIRST 2 SCHOOL FISCAL ~~YEARS~~ YEAR FOLLOWING [THE EFFECTIVE DATE OF THIS SECTION] DURING WHICH NO ELECTION FOR AN ADDITIONAL LEVY IS REQUIRED, THE trustees of the district shall submit a proposition for an additional levy to raise any amount that is in excess of the maximum general fund budget, as computed under the provisions of subsection (3)(a), to the electors who are qualified under 20-20-301 to vote on the proposition as provided in 20-9-353.

(4) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the district, the trustees shall finance this amount with the following sources of revenue:

(a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible as provided in 20-9-366 through 20-9-369;

(b) nonlevy revenue as provided in 20-9-141; and

(c) a BASE budget levy on the taxable value of all property within the district.

(5) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district

but that does not exceed the maximum general fund budget for the district, the trustees shall:

(a) limit the general fund budget adopted under this subsection (5) to the greater of:

(i) 104% of the previous year's general fund budget; or

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes;

(b) (I) adopt a resolution stating the reasons and purposes for exceeding the BASE budget;

(II) FOR UP TO 90% OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1994, AND FOR SUCCEEDING SCHOOL FISCAL YEARS, ADOPT A RESOLUTION STATING THE REASONS AND PURPOSES FOR EXCEEDING THE BASE BUDGET AMOUNT; AND

(III) FOR ANY AMOUNT BEYOND 90% OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1994, AND FOR SUCCEEDING SCHOOL FISCAL YEARS, SUBMIT A PROPOSITION FOR A LEVY TO RAISE THE BUDGET AMOUNT TO THE ELECTORS WHO ARE QUALIFIED UNDER 20-20-301 TO VOTE ON THE PROPOSITION AS PROVIDED IN 20-9-353;

(c) finance the amount adopted under this subsection (5) with an over-BASE budget levy on the taxable value of all property within the district or with other revenue

available to the district.

(6) WHENEVER THE TRUSTEES OF A DISTRICT ADOPT A GENERAL FUND BUDGET UNDER THE PROVISIONS OF SUBSECTION (5)(B)(II), THEY MAY SUBMIT A PROPOSITION ON THE OVER-BASE BUDGET LEVY TO THE ELECTORS OF THE DISTRICT AS PROVIDED IN 20-9-353.

Section 4. Section 20-3-106, MCA, is amended to read:

"**20-3-106. Supervision of schools -- powers and duties.** The superintendent of public instruction has the general supervision of the public schools and districts of the state~~,~~ and ~~he~~ shall perform the following duties or acts in implementing and enforcing the provisions of this title:

(1) resolve any controversy resulting from the proration of costs by a joint board of trustees under the provisions of 20-3-362;

(2) issue, renew, or deny teacher certification and emergency authorizations of employment;

(3) negotiate reciprocal tuition agreements with other states in accordance with the provisions of 20-5-314;

(4) serve on the teachers' retirement board in accordance with the provisions of 2-15-1010;

(5) approve or disapprove the orders of a high school boundary commission in accordance with the provisions of 20-6-311;

(6) approve or disapprove the opening or reopening of a school in accordance with the provisions of 20-6-502,

20-6-503, 20-6-504, or 20-6-505;

(7) approve or disapprove school isolation within the limitations prescribed by 20-9-302;

(8) generally supervise the school budgeting procedures prescribed by law in accordance with the provisions of 20-9-102 and prescribe the school budget format in accordance with the provisions of 20-9-103 and 20-9-506;

(9) establish a system of communication for calculating joint district revenues in accordance with the provisions of 20-9-151;

(10) approve or disapprove the adoption of a district's budget amendment resolution under the conditions prescribed in 20-9-163 and adopt rules for an application for additional state aid for a budget amendment in accordance with the approval and disbursement provisions of 20-9-166;

(11) generally supervise the school financial administration provisions as prescribed by 20-9-201(2);

(12) prescribe and furnish the annual report forms to enable the districts to report to the county superintendent in accordance with the provisions of 20-9-213(5) and the annual report forms to enable the county superintendents to report to the superintendent of public instruction in accordance with the provisions of 20-3-209;

(13) approve, disapprove, or adjust an increase of the average number belonging (ANB) in accordance with the

provisions of 20-9-313 and 20-9-314;

(14) distribute state equalization aid in support of the ~~foundation~~ BASE funding program ~~and guaranteed tax base aid~~, in accordance with the provisions of 20-9-331, 20-9-333, 20-9-342, 20-9-346, 20-9-347, and 20-9-366 through 20-9-369;

(15) distribute state impact aid in accordance with the provisions of 20-9-304;

(16) provide for the uniform and equal provision of transportation by performing the duties prescribed by the provisions of 20-10-112;

(17) approve or disapprove an adult education program for which a district proposes to levy a tax in accordance with the provisions of 20-7-705;

(18) request, accept, deposit, and expend federal money in accordance with the provisions of 20-9-603;

(19) authorize the use of federal money for the support of an interlocal cooperative agreement in accordance with the provisions of 20-9-703 and 20-9-704;

(20) prescribe the form and contents of and approve or disapprove interstate contracts in accordance with the provisions of 20-9-705;

(21) approve or disapprove the conduct of school on a Saturday or on pupil-instruction-related days in accordance with the provisions of 20-1-303 and 20-1-304;

(22) recommend standards of accreditation for all

schools to the board of public education and evaluate compliance with the standards and recommend accreditation status of every school to the board of public education in accordance with the provisions of 20-7-101 and 20-7-102;

(23) collect and maintain a file of curriculum guides and assist schools with instructional programs in accordance with the provisions of 20-7-113 and 20-7-114;

(24) establish and maintain a library of visual, aural, and other educational media in accordance with the provisions of 20-7-201;

(25) license textbook dealers and initiate prosecution of textbook dealers violating the law in accordance with the provisions of the textbooks part of this title;

(26) as the governing agent and executive officer of the state of Montana for K-12 vocational education, adopt the policies prescribed by and in accordance with the provisions of 20-7-301;

(27) supervise and coordinate the conduct of special education in the state in accordance with the provisions of 20-7-403;

(28) administer the traffic education program in accordance with the provisions of 20-7-502;

(29) administer the school food services program in accordance with the provisions of 20-10-201, 20-10-202, and 20-10-203;

(30) review school building plans and specifications in accordance with the provisions of 20-6-622;

(31) prescribe the method of identification and signals to be used by school safety patrols in accordance with the provisions of 20-1-408;

(32) provide schools with information and technical assistance for compliance with the student assessment rules provided for in 20-2-121 and collect and summarize the results of the student assessment for the board of public education and the legislature;

(33) administer the distribution of guaranteed tax base aid for county retirement levy obligations in accordance with 20-9-366 through 20-9-369; and

(34) perform any other duty prescribed from time to time by this title, any other act of the legislature, or the policies of the board of public education."

Section 5. Section 20-3-324, MCA, is amended to read:

"**20-3-324. Powers and duties.** As prescribed elsewhere in this title, the trustees of each district shall:

(1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district superintendent, the county high school principal, or other principal as the board considers necessary, accepting or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the provisions of

Title 20, chapter 4;

(2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians, maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered necessary to carry out the various services of the district;

(3) administer the attendance and tuition provisions and otherwise govern the pupils of the district in accordance with the provisions of the pupils chapter of this title;

(4) call, conduct, and certify the elections of the district in accordance with the provisions of the school elections chapter of this title;

(5) participate in the teachers' retirement system of the state of Montana in accordance with the provisions of the teachers' retirement system chapter of Title 19;

(6) participate in district boundary change actions in accordance with the provisions of the districts chapter of this title;

(7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the provisions of the school organization part of this title;

(8) adopt and administer the annual budget or a budget amendment of the district in accordance with the provisions of the school budget system part of this title;

(9) conduct the fiscal business of the district in accordance with the provisions of the school financial administration part of this title;

(10) establish the ANB, ~~foundation program, permissive,~~ BASE budget levy, over-BASE budget levy, additional levy, operating reserve, and state impact aid amounts for the general fund of the district in accordance with the provisions of the general fund part of this title;

(11) establish, maintain, budget, and finance the transportation program of the district in accordance with the provisions of the transportation parts of this title;

(12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions of the bonds parts of this title;

(13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund, building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous federal programs fund, building fund, lease or rental agreement fund, traffic education fund, IMPACT AID FUND, and interlocal cooperative agreement fund in accordance with the provisions of the other school funds parts of this title;

(14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in accordance with the provisions of the miscellaneous

financial parts of this title;

(15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with the provisions of the school sites and facilities part of this title;

(16) operate the schools of the district in accordance with the provisions of the school calendar part of this title;

(17) establish and maintain the instructional services of the schools of the district in accordance with the provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

(18) establish and maintain the school food services of the district in accordance with the provisions of the school food services parts of this title;

(19) make reports from time to time as the county superintendent, superintendent of public instruction, and board of public education may require;

(20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions of the school or the general health conditions of each pupil and, upon request, make available to any parent or guardian any medical reports or health records maintained by the district pertaining to ~~his~~ a child;

(21) for each member of the trustees, visit each school of the district not less than once each school fiscal year to examine its management, conditions, and needs, except trustees from a first-class school district may share the responsibility for visiting each school in the district;

(22) procure and display outside daily in suitable weather at each school of the district an American flag that measures not less than 4 feet by 6 feet;

(23) adopt and administer a district policy on assessment for placement of any child who enrolls in a school of the district from a nonpublic school that is not accredited, as required in 20-5-110; and

(24) perform any other duty and enforce any other requirements for the government of the schools prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public instruction."

Section 6. Section 20-5-305, MCA, is amended to read:

"**20-5-305. Elementary tuition rates.** (1) Whenever a pupil of an elementary district has been granted approval to attend a school outside of the district in which ~~he~~ the pupil resides, under the provisions of 20-5-301 or 20-5-302, the district of residence shall pay tuition to the elementary district where the pupil attends school. Except as provided in subsection (2), the basis of the rate of tuition ~~shall~~ must be determined by the attended district.

The rate of tuition must be determined on March 15 by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed--by--the foundation-program-schedules~~ received in state equalization aid for support of ANY GENERAL FUND BUDGET AMOUNT UP TO the district BASE budget LEVEL and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive-and~~ retirement mills levied.

(2) The tuition for a full-time elementary special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of elementary tuition for full-time elementary special education pupils as designated in 20-9-311 for funding purposes."

Section 7. Section 20-5-312, MCA, is amended to read:

"**20-5-312. Reporting, budgeting, and payment for high school tuition.** (1) Except as provided in subsection (2), on March 15, the trustees of each high school district shall determine the rate of tuition for the current school fiscal year by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) above by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed--by--the foundation-program-schedules~~ received in state equalization aid in support of ANY GENERAL FUND BUDGET AMOUNT UP TO the district BASE budget LEVEL and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive-and~~ retirement mills levied.

(2) The tuition for a full-time high school special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation

of tuition for full-time high school special education pupils as designated in 20-9-311 for funding purposes.

(3) Before July 15, the trustees shall report to the county superintendent of the county in which the district is located:

(a) the names, addresses, and resident districts of the pupils attending the schools of the district under an approved tuition agreement;

(b) the number of days of school attended by each pupil;

(c) the amount, if any, of each pupil's tuition payment that the trustees, in their discretion, have the authority to waive; and

(d) the rate of current school fiscal year tuition, as determined under the provisions of this section.

(4) When the county superintendent receives a tuition report from a district, ~~he~~ the county superintendent shall immediately send the reported information to the superintendent of each district in which the reported pupils reside.

(5) When the district superintendent receives a tuition report or reports for high school pupils residing in ~~his~~ the district and attending an out-of-district high school under approved tuition agreements, ~~he~~ the district superintendent shall determine the total amount of tuition due the

out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils attending under an approved tuition agreement, and other information provided by each high school district where resident district pupils have attended school.

(6) The total amount of the high school tuition, with consideration of any tuition waivers, for pupils attending a high school outside the county of residence must be financed by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall ~~cause the payment~~ pay by county warrant ~~of~~ at least one-half of the high school tuition obligations established under this section out of the first money realized from the county basic special tax for high schools. The remaining obligations must be paid by June 15 of the school fiscal year. The payments must be made to the county treasurer of the county where each high school entitled to tuition is located. Except as provided in subsection (8), the county treasurer shall credit tuition receipts to the general fund of the applicable high school district, and the tuition receipts must be used in accordance with the provisions of 20-9-141.

(7) For pupils attending a high school outside their district of residence but within the county of residence, the total amount of the tuition, with consideration of any

tuition waivers, must be paid during the ensuing school fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition fund of the preliminary and final budgets. This budgeted tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall report the net tuition fund levy requirement for each high school district to the county commissioners on the second Monday of August, and a levy on the district must be made by the county commissioners in accordance with 20-9-142. The levy requirement must be calculated by subtracting from the total expenditure amount authorized in the final tuition fund budget the sum of the fund balance in the tuition fund at the end of the immediately preceding school fiscal year plus any other anticipated money that may be realized in the tuition fund. The trustees shall pay by warrants drawn on the tuition fund the tuition amounts owed to each district included in the county superintendent's notification. Payments must be made whenever there is a sufficient amount of cash available in the tuition fund but no later than the end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a

hearing and either approve or disapprove the transfer.

(8) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or this part for the current school fiscal year must be deposited in a separate account of the district miscellaneous programs fund and may be used for that year in the manner provided for in that fund. For the ensuing school fiscal year, the receipts must be credited to the district general fund budget."

Section 8. Section 20-6-506, MCA, is amended to read:

"20-6-506. Budgeting and cost sharing when junior high school operated by elementary district and high school district operating a county high school. (1) Whenever the opening of a junior high school is approved for the ensuing school fiscal year under 20-6-505, the county superintendent shall estimate the average number belonging (ANB) after investigating the probable enrollment for the junior high school. The ANB determined by the county superintendent and the ANB actually realized in subsequent school fiscal years must be applied ~~under--20-9-320~~ as provided in [section 1 (9)(c)(ii)] to prorate the ~~foundation--program--schedule amount--provided--in--20-9-303(2)(a)~~ BASE funding program amount between the elementary and high school districts. Each district shall adopt its general fund budget on the basis of the prorated amount and shall finance its proportionate share of the cost of operating the junior high

school.

(2) The cost of operating the junior high school must be prorated between the elementary district and the high school district on the basis of the ratio that the number of pupils of their district is to the total enrollment of the junior high school."

Section 9. Section 20-6-603, MCA, is amended to read:

"**20-6-603. Trustees' authority to acquire or dispose of sites and buildings -- when election required.** (1) The trustees of ~~any~~ a district may purchase, build, exchange, or otherwise acquire, sell, or dispose of sites and buildings of the district. Action may not be taken by the trustees without the approval of the qualified electors of the district at an election called for the purpose of approval unless:

(a) a bond issue has been authorized for the purpose of constructing, purchasing, or acquiring the site or building;

(b) an additional levy under the provisions of 20-9-353 has been approved for the purpose of constructing, purchasing, or acquiring the site or building;

(c) the cost of constructing, purchasing, or acquiring the site or building is ~~financed~~ paid from the district general fund budget without exceeding the ~~foundation program schedule amount provided in 20-9-303(2)(a)~~ maximum general fund budget amount for the district, and in the case of a

site purchase, the site has been approved under the provisions of 20-6-621; or

(d) money is otherwise available under the provisions of this title and the ballot for the site approval for the building incorporated a description of the building to be located on the site.

(2) When an election is conducted under the provisions of this section, it must be called under the provisions of 20-20-201 and must be conducted in the manner prescribed by this title for school elections. An elector qualified to vote under the provisions of 20-20-301 may vote in the election. If a majority of those electors voting at the election approve the proposed action, the trustees may take the proposed action."

Section 10. Section 20-6-702, MCA, is amended to read:

"**20-6-702. Funding for K-12 school districts.** (1) Notwithstanding the provisions of subsections (2) through (6), a K-12 school district formed under the provisions of 20-6-701 is subject to the provisions of law for high school districts.

(2) The number of elected trustees of the K-12 school district must be based on the classification of the attached elementary district under the provisions of 20-3-341 and 20-3-351.

(3) Calculations for the following must be made

separately for the elementary school program and the high school program of a K-12 school district:

(a) the calculation of ANB for purposes of determining the ~~foundation--program--schedule--payments~~ total per-ANB entitlements must be in accordance with the provisions of 20-9-311;

(b) the basic county tax and revenues for the elementary ~~foundation~~ BASE funding program amount for the district must be determined in accordance with the provisions of 20-9-331, and the basic special tax and revenues for the high school ~~foundation~~ BASE funding program amount for the district must be determined in accordance with 20-9-333; and

(c) the guaranteed tax base aid for ~~the-permissive-levy amount~~ BASE funding program purposes for a K-12 school district must be calculated separately, using the ~~mill~~ district taxable value per elementary ANB and the ~~mill~~ district taxable value per high school ANB ~~as--defined--in 20-9-366~~. The ~~permissive-amount~~ BASE budget levy, over-BASE budget levy, or additional levy to be levied for the K-12 school district must be prorated based on the ratio of the ~~foundation~~ BASE funding program amounts for elementary school programs to the ~~foundation~~ BASE funding program amounts for high school programs.

(4) The retirement obligation and eligibility for

retirement guaranteed tax base aid for a K-12 school district must be calculated and funded as a high school district retirement obligation under the provisions of 20-9-501.

(5) For the purposes of budgeting for a K-12 school district, the trustees shall adopt a single fund for any of the budgeted or nonbudgeted funds described in 20-9-201 for the costs of operating all grades and programs of the district.

(6) Tuition for attendance in the K-12 school district must be determined separately for high school pupils and for elementary pupils under the provisions of chapter 5, part 3, except that the actual expenditures used for calculations in 20-5-305 and 20-5-312 must be based on an amount prorated between the elementary and high school programs in the appropriate funds of each district in the year prior to the attachment of the districts."

Section 11. Section 20-9-104, MCA, is amended to read:

"20-9-104. ~~(Temporary)~~--General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in

subsections (5) ~~through--(7)~~ and (6), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Excess reserves as provided in subsection (5) may be appropriated to reduce the ~~permissive levy provided by 20-9-145 or to reduce the voted~~ BASE budget levy, the over-BASE budget levy, or the additional levy provided by 20-9-353, EXCEPT THAT DISTRICTS WITH A BALANCE ON JULY 1, 1993, IN THE EXCESS RESERVE ACCOUNT FOR PUBLIC LAW 81-874 FUNDS SHALL TRANSFER THE JULY 1, 1994, BALANCE TO THE IMPACT AID FUND ESTABLISHED IN [SECTION 35].

(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

(a) any amount received under Public Law 81-874;

(b) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

(c) any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.

~~(7) For fiscal year 1993, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than the amounts identified by a school district as one or more of the following:~~

~~(a) any amount received under Public Law 81-874;~~

~~(b) the unused balance of any amount received:~~

~~(i) in settlement of tax payments protested in a prior school fiscal year;~~

~~(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and~~

~~(iii) in delinquent taxes from a prior school fiscal~~

year;-or

(c)--any-amount-received--as--a--general--bonus--payment under-20-6-401;-

20-9-104;--(Effective---on--occurrence--of--contingency) General-fund-operating-reserve; (1)--At--the--end--of--each school--fiscal--year;--the--trustees--of-each-district-shall designate-the-portion-of-the--general--fund--end-of-the-year fund--balance--that--is-to-be-earmarked-as-operating-reserve for-the-purpose-of-paying-general-fund--warrants--issued--by the--district--from--July--1--to--November-30-of-the-ensuing school-fiscal-year;-Except-as-provided--in--subsections--(5) through--(7);-the-amount-of-the-general-fund-balance-that-is earmarked-as-operating-reserve-may-not--exceed--10%--of--the final--general--fund--budget--for--the-ensuing-school-fiscal year;

(2)--The-amount-held-as-operating--reserve--may--not--be used--for--property-tax-reduction-in-the-manner-permitted-by 20-9-141(1)(b)-for-other-receipts;

(3)--Any-unreserved-fund-balance-that--is--equal--to--or less--than--the--prior-year's-excess-reserves-as-provided-in subsection-(5)-may-be-used-to--reduce--the--permissive--levy provided-by-20-9-145-or-to-reduce-the-voted-levy-provided-by 20-9-353;

(4)--Any--portion--of--the--general-fund-end-of-the-year fund-balance-that-is-not-reserved-under--subsection--(2)--or

reappropriated---under---subsection---(3)--is--fund--balance reappropriated-and-must-be-used-for-property--tax--reduction as-provided-in-20-9-141(1)(b)(iii);

(5)--For--fiscal--year-1994-and-subsequent-fiscal-years, the-limitation-of-subsection-(1)-does--not--apply--when--the amount--in-excess-of-the-limitation-is-equal-to-or-less-than one-or-more-of-the-following:

(a)--any-amount-received-under-Public-Law-81-874-in--the current-school-fiscal-year;

(b)--the-unused-balance-of-any-amount-received:

(i)--in--settlement-of-tax-payments-protested-in-a-prior school-fiscal-year;

(ii)-in-taxes-from-a--prior--school--fiscal--year--as--a result--of--a--tax-audit-by-the-department-of-revenue-or-its agents;-and

(iii)-in-delinquent-taxes-from--a--prior--school--fiscal year;-or

(c)--any--amount--received--as--a--general-bonus-payment under-20-6-401;

(6)--The-limitation-of-subsection--(1)--does--not--apply when-the-amount-earmarked-as-operating-reserve-is-$10,000-or less;

(7)--A-district-that-received-Public-Law-81-874-money-in a--prior--year-and-that-must-reduce-its-operating-reserve-to 10%-pursuant-to-this-section-in-the-next-school-fiscal--year

~~may--consider-a-percentage-of-the-unreserved-fund-balance-to be-an-excess-amount--as--provided--in--subsection--(5),--The percentage-of-unreserved-fund-balance-that-may-be-considered an--excess--amount--is--the-average-of-the-3-previous-years' ratio-of-total-district-general-fund-revenue-to--Public--Law 81-874-money-received."~~

SECTION 12. SECTION 20-9-104 MCA, IS AMENDED TO READ:

"20-9-104. ~~(Temporary)~~--General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) through (7), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Excess reserves as provided in subsection (5) may be appropriated to reduce the permissive levy provided by 20-9-145 or to reduce the voted levy provided by 20-9-353.

(4) Any portion of the general fund end-of-the-year

fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

(a) ~~any-amount-received-under-Public-Law-81-874;~~

~~(b)~~ the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

~~(c)~~(b) any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.

~~(7)--For--fiscal-year-1993,-the-limitation-of-subsection (1)-does--not--apply--when--the--amount--in--excess--of--the limitation--is--equal-to-or-less-than-the-amounts-identified~~

by-a-school-district-as-one-or-more-of-the-following:

(a)--any-amount-received-under-Public-Law-81-874;

(b)--the-unused-balance-of-any-amount-received:

(i)--in-settlement-of-tax-payments-protested-in-a--prior school-fiscal-year;

(ii)-in--taxes--from--a--prior--school--fiscal-year-as-a result-of-a-tax-audit-by-the-department-of--revenue--or--its agents;-and

(iii)-in--delinquent--taxes--from--a-prior-school-fiscal year;-or

(c)--any-amount-received--as--a--general--bonus--payment under-20-6-401.

20-9-104.--(Effective---on--occurrence--of--contingency) General-fund-operating-reserve.--(1)--At--the--end--of--each school--fiscal--year,--the--trustees--of-each-district-shall designate-the-portion-of-the--general--fund--end-of-the-year fund--balance--that--is-to-be-earmarked-as-operating-reserve for-the-purpose-of-paying-general-fund--warrants--issued--by the--district--from--July--1--to--November-30-of-the-ensuing school-fiscal-year.-Except-as-provided--in--subsections--(5) through--(7),-the-amount-of-the-general-fund-balance-that-is earmarked-as-operating-reserve-may-not--exceed--10%--of--the final--general--fund--budget--for--the-ensuing-school-fiscal year.

(2)--The-amount-held-as-operating--reserve--may--not--be

used--for--property-tax-reduction-in-the-manner-permitted-by 20-9-141(1)(b)-for-other-receipts.

(3)--Any-unreserved-fund-balance-that--is--equal--to--or less--than--the--prior-year's-excess-reserves-as-provided-in subsection-(5)-may-be-used-to--reduce--the--permissive--levy provided-by-20-9-145-or-to-reduce-the-voted-levy-provided-by 20-9-353.

(4)--Any--portion--of--the--general-fund-end-of-the-year fund-balance-that-is-not-reserved-under--subsection--(2)--or reappropriated---under---subsection---(3)--is--fund--balance reappropriated-and-must-be-used-for-property--tax--reduction as-provided-in-20-9-141(1)(b)(iii).

(5)--For--fiscal--year-1994-and-subsequent-fiscal-years, the-limitation-of-subsection-(1)-does--not--apply--when--the amount--in-excess-of-the-limitation-is-equal-to-or-less-than one-or-more-of-the-following:

(a)--any-amount-received-under-Public-Law-81-874-in--the current-school-fiscal-year;

(b)--the-unused-balance-of-any-amount-received:

(i)--in--settlement-of-tax-payments-protested-in-a-prior school-fiscal-year;

(ii)-in-taxes-from-a--prior--school--fiscal--year--as--a result--of--a--tax-audit-by-the-department-of-revenue-or-its agents;-and

(iii)-in-delinquent-taxes-from--a--prior--school--fiscal

~~year;~~ ~~or~~

~~(c) any amount received as a general bonus payment under 20-6-401.~~

~~(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.~~

~~(7) A district that received Public Law 81-874 money in a prior year and that must reduce its operating reserve to 10% pursuant to this section in the next school fiscal year may consider a percentage of the unreserved fund balance to be an excess amount as provided in subsection (5). The percentage of unreserved fund balance that may be considered an excess amount is the average of the 3 previous years' ratio of total district general fund revenue to Public Law 81-874 money received.~~"

Section 13. Section 20-9-113, MCA, is amended to read:

"**20-9-113. Preparation and adoption of preliminary budget by trustees.** (1) The trustees of ~~each~~ a district shall meet at their regular place of meeting at any time from February 1 through the fourth Monday in June, at the discretion of the board, to adopt a preliminary budget for the next ensuing school fiscal year. This budget meeting may be continued from day to day but ~~shall~~ may not exceed 5 days in total. Any taxpayer in the district may attend ~~such~~ the meeting and be heard in regard to the preliminary budget or

any item or amount proposed to be included in ~~such~~ the budget. The preliminary budget ~~shall~~ must include all funds ~~which~~ that require the adoption of a budget and ~~which~~ that the trustees wish to utilize during the ensuing year.

(2) The proposed expenditures adopted as the preliminary budget ~~shall~~ must be entered on the appropriate portion of the budget form. The amount of the preliminary general fund budget for a district ~~shall~~ may not exceed the ~~foundation program of such~~ maximum general fund budget for the district except in the manner permitted by the laws of Montana. If any appropriation item of the preliminary budget provides for the payment of wages or salaries to more than one person, the district shall attach to the preliminary budget a separate listing of each position of employment with the budgeted amount of compensation for each position.

(3) After the adoption of the preliminary budget by the trustees, the ~~chairman~~ presiding officer of the trustees and the clerk of the district shall sign the budget form, and it shall constitute the preliminary budget for the district. The trustees shall send both copies of the adopted preliminary budget, with all appendages and any other information required by law, to the county superintendent on or before the fifth day after the fourth Monday of June.

(4) At least 2 weeks before the first meeting day on adoption of a preliminary budget for the ensuing school

fiscal year, as required by this section, the trustees of a district shall publish a notice of the meeting at least one time in a newspaper of general circulation in the district. The notice must state that any taxpayer in the district may attend the meeting and be heard on the preliminary budget."

Section 14. Section 20-9-141, MCA, is amended to read:

"20-9-141. Computation of general fund net levy requirement by county superintendent. (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the amount established by the ~~schedules--in--20-9-316--through-20-9-321~~ state equalization aid share of the BASE budget for the district by totaling:

(i) the district's nonisolated school ~~foundation program~~ BASE budget requirement to be met by a district levy as provided in 20-9-303; and

(ii) any ~~additional~~ general fund budget amount adopted by the trustees of the district under the provisions of ~~20-9-145~~ [section 3] and 20-9-353, including any additional ~~levies~~ funding for a general fund budget that exceeds the maximum general fund budget as authorized by the electors of the district.

(b) Determine the money available for the reduction of

the property tax on the district for the general fund by totaling AMOUNTS RECEIVED IN THE LAST FISCAL YEAR FOR WHICH REVENUE REPORTING WAS REQUIRED FOR EACH SOURCE LISTED BELOW, WITH THE EXCEPTION OF SUBSECTION (1)(B)(II):

(i) ~~anticipated--federal--money--received---under---the provisions--of--Title--I--of--Public--Law--81-874--or--other anticipated--federal--money-received-in-lieu-of-that-federal act;~~

~~(ii)~~ anticipated tuition payments for out-of-district pupils under the provisions of 20-5-303, 20-5-307, 20-5-312, and 20-5-313;

~~(iii)~~(II) general fund balance reappropriated, as established under the provisions of 20-9-104;

~~(iv)~~(III) anticipated or reappropriated state impact aid received under the provisions of 20-9-304;

~~(v)~~(IV) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

~~(vi)~~(V) anticipated net proceeds taxes for new production, as defined in 15-23-601;

~~(vii)~~(VI) anticipated revenue from local government severance taxes as provided in 15-36-112;

(viii)(VII) anticipated revenue from coal gross proceeds under 15-23-703;

~~(ix)~~(VIII) anticipated interest to be earned or

reappropriated interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4);

~~(ix)~~ (IX) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702; and

~~(x)~~ (X) any other revenue anticipated by the trustees to be received during the ensuing school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid.

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any ~~additional~~ general fund budget amount adopted by the trustees of the district ~~as the permissive amount under the provisions of 20-9-145~~, up to the BASE budget amount, to determine the general fund ~~permissive-net~~ BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget levy, a district levy as provided in 20-9-303, and an additional levy as provided in 20-9-353 to determine ~~the~~ any additional general fund levy ~~requirement~~ requirements.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the

district to finance the general fund ~~permissive-net~~ levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the taxable valuation of the district divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the second Monday of August by the county superintendent as the ~~general fund permissive net levy requirement and the additional~~ general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142."

SECTION 15. SECTION 20-9-143, MCA, IS AMENDED TO READ:

"**20-9-143. Allocation of federal funds in lieu of property taxation.** Federal funds received by a district under the provisions of Title I of Public Law 81-874 or funds designated in lieu of such federal act by the congress of the United States may must be ~~allocated to the various operating budgets of the district by the trustees~~ deposited in the impact aid fund established in [section 35]."

Section 16. Section 20-9-147, MCA, is amended to read:

"**20-9-147. Approval to amend general fund budget for ensuing school fiscal year.** (1) The trustees of a district may determine that expenses from the following sources will need to be funded by the general fund budget in the ensuing school fiscal year:

(a) a budget amendment authorized under the provisions of 20-9-161 through 20-9-163;

(b) metal mines tax reserve fund authorized in 20-9-231;

(c) special education expenditures approved under the provisions of 20-9-321(3);

(d) transfer of services from or dissolution of a special education cooperative; and

(e) tuition receipts deposited in the miscellaneous programs fund.

(2) Whenever the trustees determine that expenses from the sources in subsection (1) will need to be funded by the general fund in the ensuing year and the expenses will cause the general fund budget to exceed the maximum general fund budget for the district, the trustees shall petition the superintendent of public instruction for approval to add the expenditures from any of the sources to the current year's general fund budget for the purposes of calculating the ensuing year's general fund budget limitation. The petition must set forth in writing the specific reasons for the

request and, a report of the actual expenditures, and certification that any expenditures from the sources will not continue into the ensuing school fiscal year.

(3) The superintendent of public instruction shall promptly approve or disapprove the petition for approval to add the expenditures from the sources in subsection (1) to the current year's general fund budget for the purposes of calculating the ensuing year's general fund budget."

Section 17. Section 20-9-162, MCA, is amended to read:

"**20-9-162. Authorization for budget amendment adoption.** (1) Notwithstanding the provisions of subsections (2) and (3), a budget amendment may be adopted at any time of the school fiscal year, except that a budget amendment required by an enrollment increase that could not have been anticipated at the time of the adoption of the regular budget as provided in 20-9-161(1) may not be adopted until after October 1.

(2) If a budget amendment for the reasons provided in 20-9-161(1) through (4) does not cause the district general fund budget to exceed the ~~limitations in 20-9-315~~ maximum general fund budget for the district, the trustees may approve the budget amendment by a resolution as provided in 20-9-163. The trustees shall send a copy of the resolution to the county superintendent and to the board of county commissioners of the county.

(3) The trustees shall submit the following to the superintendent of public instruction for approval in the manner provided in 20-9-163:

(a) a budget amendment for the reasons provided in 20-9-161(5) and (6); and

(b) a budget amendment for any reason provided in 20-9-161(1) through (4) that causes the district general fund budget to exceed the ~~limitations in 20-9-315~~ maximum general fund budget for the district."

Section 18. Section 20-9-163, MCA, is amended to read:

"**20-9-163. Resolution for budget amendment -- petition to superintendent of public instruction.** (1) Notwithstanding the provisions of subsection (3), whenever the trustees of a district decide that a budget amendment is necessary, they may adopt a resolution proclaiming the budget amendment by a majority vote of the trustees. The budget amendment resolution must also state the facts constituting the need for the budget amendment, the estimated amount of money required to fund the budget amendment, the funds affected by the budget amendment, and the time and place the board will meet for the purpose of considering and adopting a budget amendment for funds for the current school fiscal year.

(2) If the trustees of a school district determine that the proposed budget amendment will cause the district general fund to exceed the ~~limitations of 20-9-315~~ maximum

general fund budget for the district or if the proposed budget amendment is for the reasons provided in 20-9-161(5) and (6), the trustees shall petition the superintendent of public instruction for permission to adopt a resolution for a budget amendment. The petition must set forth in writing the reasons for the request, the district funds affected by the budget amendment, the estimated amount of money required for the budget amendment for each affected fund, the anticipated sources of financing for the budget amendment expenditures, certification that the expenditures will not continue into the ensuing school fiscal year, and any other information required by the superintendent of public instruction. The petition must be signed by a majority of the trustees.

(3) (a) The superintendent of public instruction shall promptly approve or disapprove the petition requesting approval to adopt a resolution for a budget amendment. The superintendent of public instruction may not approve the petition unless it can be certified that the expenditures in excess of the maximum general fund budget will not continue into the ensuing school fiscal year.

(b) If the petition is approved, the trustees may adopt a resolution for a budget amendment and take all other steps required for the adoption of a budget amendment. Approval of a petition by the superintendent of public instruction

authorizes the board of trustees to initiate a budget amendment by resolution and does not relieve the trustees of the necessity of complying with the requirements of the school budgeting laws. Approval of the petition may not be construed as approval of any subsequent application for increased state aid on account of the budget amendment."

SECTION 19. SECTION 20-9-201, MCA, IS AMENDED TO READ:

"**20-9-201. Definitions and application.** (1) As used in this title, unless the context clearly indicates otherwise, "fund" means a separate detailed account of receipts and expenditures for a specific purpose as authorized by law or by the superintendent of public instruction under the provisions of subsection (2). Funds are classified as follows:

(a) A "budgeted fund" means any fund for which a budget must be adopted in order to expend money from the fund. The general fund, transportation fund, bus depreciation reserve fund, tuition fund, retirement fund, debt service fund, building reserve fund, adult education fund, nonoperating fund, and any other funds designated by the legislature are budgeted funds.

(b) A "nonbudgeted fund" means any fund for which a budget is not required in order to expend money on deposit in the fund. The school food services fund, miscellaneous programs fund, building fund, lease or rental agreement

fund, traffic education fund, interlocal cooperative fund, internal service fund, impact aid fund, enterprise fund, agency fund, extracurricular fund, metal mines tax reserve fund, endowment fund, and any other funds designated by the legislature are nonbudgeted funds.

(2) The school financial administration provisions of this title apply to all money of any elementary or high school district. Elementary and high school districts shall record the receipt and disbursement of all money in accordance with generally accepted accounting principles. The superintendent of public instruction has general supervisory authority as prescribed by law over the school financial administration provisions, as they relate to elementary and high school districts. The superintendent of public instruction shall adopt rules necessary to secure compliance with the law.

(3) Except as otherwise provided by law, whenever the trustees of a district determine that a fund is inactive and will no longer be used, the trustees shall close the fund by transferring all cash and other account balances to the general fund if the fund does not have a cash or fund balance deficit."

Section 20. Section 20-9-303, MCA, is amended to read:

"**20-9-303. ~~Definition----of---foundation---program-----nonisolated-school-foundation-program-financing~~** Nonisolated

school BASE budget funding -- special education funds. (1) ~~As-used-in-this-title,-the-term-"foundation--program"--means the--minimum-expenditures-that-are-sufficient-to-provide-for the-educational-program-of-a-school.-The-foundation--program relates---only---to---those--expenditures--authorized--by--a district's--general--fund--budget--and---may---not---include expenditures-from-any-other-fund.-It-is-financed-by:~~

~~(a)--county--equalization-money,-as-provided-in-20-9-331 and-20-9-333;~~

~~(b)--state-equalization-aid,-as-provided-in-20-9-343;~~

~~(c)--appropriations-for-special-education;-and~~

~~(d)--a-district-levy-as-provided-in-subsection--(3)--for support-of-a-school-not-approved-as-an-isolated-school-under the-provisions-of-20-9-302.~~

~~(2)--The-foundation-program-includes:~~

~~(a)--amounts-in-support-of-general-education-programs-as provided-in-the-schedules-in-20-9-316-through-20-9-320;-and~~

~~(b)--payments--in--support-of-special-education-programs under-20-9-321.~~

~~(3)~~ An elementary school ~~having~~ that has an ANB of nine or fewer pupils for 2 consecutive years ~~which~~ and that is not approved as an isolated school under the provisions of 20-9-302 may budget and spend the ~~schedule~~ BASE budget amount, but the county and state shall ~~participate in financing~~ provide one-half of the ~~foundation--program~~ state

equalization aid computed under 20-9-347, and the district shall finance the remaining ~~one-half~~ BASE budget amount by a tax levied on the property of the district. When a school of nine or fewer pupils is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing of the total amount of the ~~foundation-program~~ BASE budget.

~~(4)~~(2) Funds provided to support the special education accounting budget may be expended only for special education purposes as approved by the superintendent of public instruction in accordance with the special education budgeting provisions of this title. ~~Expenditures~~ Budgeting ~~and--expenditures~~ EXPENDITURES for special education must be accounted for separately from and in addition to the balance of the school district general fund budgeting requirements provided in [sections 2 and 3]. Transfers between items within the special education budget for accounting purposes may be made at the discretion of the board of trustees in accordance with the financial administration part of this title. The unexpended balance of the special education accounting budget carries over to the next year to reduce the amount of funding required to finance the district's ensuing year's ~~foundation--program~~ allowable cost amount PAYMENT for special education."

Section 21. Section 20-9-305, MCA, is amended to read:

"20-9-305. Proration and calculation of ~~foundation~~ BASE funding program for a joint district. (1) In joint districts, the ~~foundation-program-shall~~ BASE funding program for the BASE budget of a joint district must be prorated among the counties in which any part of the joint district is located for the purpose of determining the amount of each source of revenue for the ~~foundation--program~~ BASE funding program for which each county is obligated. The proration of the joint district ~~foundation--program-shall~~ BASE budget must be calculated as follows:

(a) Divide the joint district ~~foundation--program~~ BASE budget by the ANB of the joint district to determine the per-ANB amount of the ~~foundation-program~~ BASE budget.

(b) Determine the ANB for each county's portion of the joint district on the basis of each pupil's resident county. When taken together, the sum of the ANB assigned to all the counties ~~shall~~ must equal the total ANB for the joint district.

(c) Multiply the per-ANB amount of the ~~foundation~~ program BASE budget determined in subsection (1)(a) by the ANB for each county's portion, as determined in subsection (1)(b), to determine the portion of the ~~foundation-program~~ BASE budget for each county.

(2) The portion of a joint district ~~foundation--program~~ BASE budget for each county, as determined in subsection

(1)(c) ~~of-this-section, shall-be-considered-as~~ is a separate ~~foundation~~ BASE budget program in ~~such~~ the county for the purposes of calculating the various revenues for the ~~foundation~~ BASE funding program. After the calculation of the ~~foundation--program~~ BASE funding program revenues, the remainder of the general fund revenues ~~shall~~ must be calculated in accordance with the provisions for general fund financing."

Section 22. Section 20-9-311, MCA, is amended to read:

"20-9-311. Calculation of average number belonging (ANB). (1) Average number belonging (ANB) must be computed by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180. However, when a school district has approval to operate less than 180 school days under 20-9-804, the total must be calculated in accordance with the provisions of 20-9-805. For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days and 7 pupil-instruction-related days.

Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day. In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at or absence from a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half day attended or absent as the case may be. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case~~ may the ANB may not exceed one-half for each kindergarten pupil. When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his~~ the absence after the 10th day of absence may not be included in the aggregate days of absence and ~~his~~ the pupil's enrollment in the school may not be considered in the calculation of the ~~average number belonging~~ ANB until he the pupil resumes attendance at school.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time~~

~~in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~(2) The ~~average number belonging~~ ANB of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) ~~(i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full time pupils of the school must be calculated separately for ANB purposes; or~~

~~(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full time pupils of the school must be calculated separately for ANB purposes;~~

~~(b)~~ a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

~~(c)~~(b) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the

7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~(c) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the ~~foundation~~ BASE funding program for the district.

~~(4)~~(3) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction."

Section 23. Section 20-9-314, MCA, is amended to read:

"**20-9-314. Procedures for determining eligibility and amount of increased average number belonging due to unusual enrollment increase.** A district that anticipates an unusual increase in enrollment in the ensuing school fiscal year, as provided for in 20-9-313(4), may increase its ~~foundation~~ program total per-ANB entitlement for the ensuing school fiscal year in accordance with the following provisions:

(1) Prior to May 10, the district shall estimate the elementary or high school enrollment to be realized during

the ensuing school fiscal year, based on as much factual information as may be available to the district.

(2) No later than May 10, the district shall submit its application for an unusual enrollment increase by elementary or high school level to the superintendent of public instruction. The application must include:

(a) the enrollment for the preceding school fiscal year;

(b) the average number belonging used to calculate the ~~foundation-program-schedule-amount~~ total per-ANB entitlement for the current school fiscal year;

(c) the average number belonging that will be used to calculate the ~~foundation--program--schedule--amount~~ total per-ANB entitlement for the ensuing school fiscal year;

(d) the estimated enrollment, including the factual information on which the estimate is based, as provided in subsection (1); and

(e) any other information or data that may be requested by the superintendent of public instruction.

(3) The superintendent of public instruction shall immediately review all the factors of the application and shall approve or disapprove the application or adjust the estimated average number belonging for the ensuing ANB calculation period. After approving an estimate, with or without adjustment, the superintendent of public instruction

shall:

(a) determine the percentage increase that the estimated enrollment increase is over the current enrollment; and

(b) approve an increase of the average number belonging used to establish the ensuing year's ~~foundation--program~~ total per-ANB entitlement in accordance with subsection (5) if the increase in subsection (3)(a) is at least 6%.

(4) The superintendent of public instruction shall notify the district of the decision by the fourth Monday in June.

(5) Whenever an unusual enrollment increase is approved by the superintendent of public instruction, the increase of the average number belonging used to establish the ~~foundation-program~~ total per-ANB entitlement for the ensuing ANB calculation period is the difference between the enrollment for the ensuing school fiscal year and 106% of the current enrollment. The amount determined is the maximum allowable increase added to the average number belonging for the purpose of establishing the ensuing year's ~~foundation program~~ total per-ANB entitlement.

(6) Any ~~equalization or~~ entitlement increases resulting from provisions of this section must be reviewed at the end of the ensuing school fiscal year. If the actual enrollment is less than the average number belonging used for

~~foundation~~ BASE funding program and entitlement calculations, the superintendent of public instruction shall revise the ~~foundation-program and~~ total per-ANB entitlement calculations using the actual average number belonging. All ~~payments~~ total per-ANB entitlements received by the district in excess of the revised entitlements are overpayments subject to the refund provisions of 20-9-344(3)."

Section 24. Section 20-9-321, MCA, is amended to read:

"**20-9-321. ~~Foundation--program~~ Allowable cost ~~amount~~ PAYMENT and contingency funds for special education.** (1) For the purpose of establishing the ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for a current year special education program for a school district, the superintendent of public instruction shall determine the total estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program:

(a) the estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431;

(b) the number of pupils expected to be enrolled in the program; and

(c) any other data required by the superintendent of

public instruction for budget justification purposes and to administer the provisions of ~~20-9-315-through-20-9-321~~ this section.

(2) The total amount of allowable costs approved by the superintendent of public instruction is the special education ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for current year special education program purposes. ~~The total-amount-of-allowable-costs-that-are--approved--for--the special--education--budget--may-not,-under-any-condition,-be less-than-the-foundation-program-amount-for-one-regular--ANB for-each-full-time-special-pupil-in-the-school-district.~~

(3) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in subsection (4).

(4) If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district ~~foundation--program~~ general fund budget for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of

the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.

(5) (a) The special education contingency funds in subsection (4):

(i) are biennially appropriated;

(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and

(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.

(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.

~~(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program allowable cost amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program allowable cost amount for special education must be added to the foundation program general fund budget amount of the regular program ANB defined in 20-9-311 and 20-9-313 calculated for the district under the provisions of [sections 2 and 3] to obtain the total foundation program general fund budget amount for the district.~~ THE SUM OF THE ALLOWABLE COST PAYMENT IN SUBSECTION (2) AND ANY CONTINGENCY FUNDS IN SUBSECTION (4) IS THE SPECIAL EDUCATION BUDGET AMOUNT FOR ACCOUNTING PURPOSES. THE SPECIAL EDUCATION BUDGET MUST BE ADDED TO THE BASE FUNDING PROGRAM BUDGET CALCULATED UNDER THE PROVISIONS OF [SECTION 3] TO OBTAIN THE TOTAL BASE FUNDING PROGRAM BUDGET."

Section 25. Section 20-9-343, MCA, is amended to read:

"20-9-343. (Temporary) Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means the money deposited in the state special revenue fund as required in this section plus any legislative appropriation of money from other sources for:

(a) distribution to the public schools for the payment of guaranteed tax base aid and for equalization of the foundation program;

(b) the Montana educational telecommunications network as provided in 20-32-101; and

(c) filing fees for school district audits as required by 2-7-514(2).

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid, as required by subsections (1)(a) and (1)(b), throughout the biennium.

(3) The following must be paid into the state special revenue fund for state equalization aid to public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the

collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding

biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L. 1991.)

20-9-343. (Effective July 1, 1993) Definition of and revenue for state equalization aid account. (1) As used in this title, the term "state equalization aid account" means the ~~money--deposited~~ account in the state special revenue fund that receives revenue as required in this section plus any legislative appropriation of money from other sources for distribution to the public schools for the purposes of payment of ~~guaranteed-tax-base-aid-and-equalization-of-the foundation-program~~ state equalization aid, MATCHING FUNDS FROM THE STATE EQUALIZATION AID ACCOUNT FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT, and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend funds appropriated ~~for~~ from the state equalization aid account as required for the purposes of ~~guaranteed-tax--base aid,--the--foundation~~ state equalization aid for the BASE funding program, and the Montana educational telecommunications network, throughout the biennium, AND FOR THE BIENNIUM BEGINNING JULY 1, 1993, 0.128% FOR EQUIPMENT PURCHASES THAT QUALIFY AS THE STATE MATCH FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT.

(3) The following must be paid into the ~~state-special~~

~~revenue-fund-for~~ state equalization aid to account for the public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal

severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account ~~in-the-second-year-of-a--biennium--may--be--used--to reduce--any--appropriation--required-for-the-next-succeeding biennium~~ AT THE END OF A FISCAL YEAR MUST BE TRANSFERRED TO THE GENERAL FUND."

Section 26. Section 20-9-344, MCA, is amended to read:

"20-9-344. ~~Purpose-of-state-equalization-aid-and-duties~~ Duties of board of public education for distribution of state equalization aid. (1) ~~The-money--available--for--state equalization--aid--must--be--distributed--and-apportioned-to provide:~~

~~(a)--an--annual--minimum--operating--revenue---for---the elementary--and--high--schools--in-each-county,-exclusive-of revenues-required-for-debt-service-and-for--the--payment--of any--costs-and-expense-incurred-in-connection-with-any-adult education-program,-recreation-program,-school-food--services program,-new-buildings-and-grounds,-and-transportation;-and~~

~~(b)--the--Montana-educational-telecommunications-network as-provided-in-20-32-101.~~

~~(2)~~ The board of public education shall administer and

distribute the state equalization aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of state equalization aid and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the state equalization aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of state equalization aid, the board of public education may not increase or decrease the state equalization aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of state equalization aid or order the county superintendent of schools to withhold county equalization money from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of state equalization aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more state equalization aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation-program-payment-and--guaranteed--tax--base~~ state equalization aid payment must be distributed according to the following schedule:

(a) from August to May of the school fiscal year, 8% of the ~~foundation--program--payment~~ state equalization aid amount, excluding any guaranteed tax base aid, to each district;

(b) in November of the school fiscal year, one-half of the guaranteed tax base aid payment to each district or

county THAT HAS SENT A FINAL BUDGET TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH THE PROVISIONS OF 20-9-134;

(c) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district or county; and

(d) in June of:

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, ONE-HALF OF the remaining ~~foundation program~~ payment to each district of state equalization aid, excluding any guaranteed tax base aid, AND ON THE FOLLOWING JULY 15, THE REMAINING PAYMENT TO EACH DISTRICT OF STATE EQUALIZATION AID, EXCLUDING ANY GUARANTEED TAX BASE AID FOR THE SCHOOL FISCAL YEAR ENDING ON THE PRECEDING JUNE 30.

~~(7)~~(6) The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

SECTION 27. SECTION 20-9-346, MCA, IS AMENDED TO READ:

"**20-9-346. Duties of the superintendent of public instruction for state equalization aid distribution.** The superintendent of public instruction shall administer the

distribution of the state equalization aid by:

(1) establishing the annual entitlement of each district and county to state equalization aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the state equalization aid allocation procedure prescribed in 20-9-347;

(2) distributing by ~~state warrant or~~ electronic transfer the state equalization aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for state equalization aid, state advances for county equalization, and the entitlements for state equalization aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for state equalization aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning

distributions of state equalization aid during the preceding 2 school fiscal years;

(b) the amount of state equalization aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for state equalization aid; and

(e) the amount of state advances and repayment for county equalization."

Section 28. Section 20-9-347, MCA, is amended to read:

"**20-9-347. Formula for state equalization aid apportionment in support of ~~foundation~~ BASE funding program -- exceptions.** (1) The superintendent of public instruction shall apportion the state equalization aid available for support of the ~~foundation~~ BASE funding program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:

(a) Determine the percentage that the total funds available to all counties in the state in support of the ~~foundation~~ BASE funding program (including the state money available for state equalization aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all counties.

(b) Determine the percentage that the total funds available in each county in support of the ~~foundation~~ BASE funding programs in the county (excluding state money available for state equalization aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all districts of the county.

(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the ~~foundation~~ BASE funding program.

(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the ~~foundation~~ BASE funding program (including the state money available for state equalization aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all remaining counties.

(e) Each district of each remaining county is entitled to an apportionment of the state equalization aid in support of the ~~foundation~~ BASE funding program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in

subsection (1)(b) multiplied by the ~~foundation~~ BASE funding program amount for the district.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a report of the apportionments of state equalization aid in support of the ~~foundation~~ BASE funding program of each district of the county, and the state equalization aid in support of the ~~foundation~~ BASE funding program must be apportioned to the districts in accordance with the report;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ state equalization aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212(9).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent

of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for state and county equalization aid."

SECTION 29. SECTION 20-9-348, MCA, IS AMENDED TO READ:

"20-9-348. Estimation of state equalization aid for budget purposes. The apportionment ~~of~~ from the state equalization aid ~~shall be~~ account is the second source of revenue in calculating the financing of the elementary district ~~foundation~~ BASE funding program and the high school district ~~foundation~~ BASE funding program. In order to allow for the estimation of the amount of money to be realized from this source of revenue when the county superintendent is estimating the general fund budget revenues, the county superintendent shall consider that the state ~~foundation program revenues~~ equalization aid money and county equalization ~~moneys~~ money, together, will be capable of financing 100% of the ~~foundation~~ BASE funding program."

Section 30. Section 20-9-351, MCA, is amended to read:

"20-9-351. Funding of deficiency in state equalization aid. If the money available for state equalization aid is

not the result of a reduction in spending under 17-7-140 and is not sufficient to provide the ~~foundation-program-schedule support--determined--in-20-9-348-and-the-guaranteed-tax-base aid--required--under---20-9-366---through---20-9-369~~ state equalization aid support determined under 20-9-347, the superintendent of public instruction shall request the budget director to submit a request for a supplemental appropriation in the second year of the biennium that is sufficient to complete the funding of ~~guaranteed--tax--base aid--and--the--foundation--programs--of--the--elementary--or secondary--schools,--or-both,~~ state equalization aid for the elementary and high school districts for the current biennium."

Section 31. Section 20-9-353, MCA, is amended to read:

"**20-9-353. Additional levy for general fund -- election for authorization to impose.** (1) Except as limited by ~~20-9-315(2)~~ [section 3], the trustees of a district may propose to adopt a general fund budget in excess of the ~~foundation-program-and-the-permissive~~ maximum general fund budget amount for the district ~~for-any-of-the-following purposes:~~

~~(a)--building,-altering,--repairing,--or--enlarging--any schoolhouse-of-the-district;~~

~~(b)--furnishing--additional--school--facilities--for-the district;~~

~~(c)--acquisition-of-land-for-the-district;~~

~~(d)--proper-maintenance--and--operation--of--the--school programs-of-the-district;-or~~

~~(e)--severance-pay-for-district-employees.~~

(2) When EXCEPT AS PROVIDED IN [SECTION 3(3)(B)], WHEN the trustees of a district determine that an additional amount of financing is required for the general fund budget that is in excess of the ~~statutory-schedule-amount--and--the permissive~~ maximum general fund budget amount, the trustees shall submit the proposition of an additional levy to raise the excess amount of general fund financing to the electors who are qualified under 20-20-301 to vote upon the proposition~~,--except--that--an--election--is-not-required-to permit-the-school-trustees-to-use--any--funds--available--to finance--the--additional-amount-other-than-those-funds-to-be raised-by-the-additional-levy~~. The special election must be called and conducted in the manner prescribed by this title for school elections. The ballot for the election must state only the amount of money to be raised by additional property taxation, the approximate number of mills required to raise the money, and the purpose for which the money will be expended. The ballot must be in the following format:

PROPOSITION

Shall a levy be made in addition to the levies authorized by law in the number of mills as may be necessary

to raise the sum of (state the amount to be raised by additional tax levy), and being approximately (give number) mills, for the purpose of (insert the purpose for which the additional tax levy is made)?

☐ FOR the levy.

☐ AGAINST the levy.

(3) If the election on any additional levy for the general fund is approved by a majority vote of the electors voting at the election, the proposition carries and the trustees may use any portion or all of the authorized amount in adopting the preliminary general fund budget. The trustees shall certify the additional levy amount authorized by the special election on the budget form that is submitted to the county superintendent, and the county commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the district, as prescribed in 20-9-141, to raise the amount of the additional levy.

(4) Authorization to levy an additional tax under the provisions of this section is effective for only 1 school fiscal year and must be authorized by a special election conducted before August 1 of the school fiscal year for which it is effective.

(5) IF THE TRUSTEES OF A DISTRICT CHOOSE TO OR ARE REQUIRED TO SUBMIT A PROPOSITION FOR AN OVER-BASE BUDGET

LEVY TO THE ELECTORS OF THE DISTRICT AS PROVIDED IN [SECTION 3], THE TRUSTEES SHALL COMPLY WITH THE PROVISIONS OF SUBSECTIONS (2) THROUGH (4)."

Section 32. Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

(1) "County retirement ~~mill~~ taxable value per elementary ANB" or "county retirement ~~mill~~ taxable value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year ~~foundation-program~~ total per-ANB entitlement amounts.

(2) "District ~~mill~~ taxable value per ANB" means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation--program~~ total per-ANB entitlement amount.

(3) ~~"Permissive--amount"--means--that--portion---of---a district's--general--fund-budget-in-excess-of-the-foundation program-amount-for-the-district,--as--provided--in--20-9-316 through--20-9-321,--but--not-exceeding-35%-of-the-district's~~

~~foundation-program-amount,-and-which--excess--is--authorized under-the-provisions-of-20-9-145-and-20-9-353.~~

~~(4)~~(a) "Statewide ~~mill~~ taxable value per elementary ANB" or "statewide ~~mill~~ taxable value per high school ANB", for ~~permissive-and~~ retirement guaranteed tax base purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation--program~~ total per-ANB entitlement amounts.

(b) Statewide taxable value per elementary ANB or statewide taxable value per high school ANB, for guaranteed tax base funding for the BASE budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by ~~236%~~ 303% ~~198%~~ 195% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year total per-ANB entitlement amounts."

Section 33. Section 20-9-367, MCA, is amended to read:

"**20-9-367. Eligibility to receive guaranteed tax base aid.** (1) If the district ~~mill~~ taxable value per ANB of any

elementary or high school district is less than the corresponding statewide ~~district--mill~~ taxable value per elementary ANB or high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in the district in support of ~~its-permissive-amount-of-the~~ up to ~~35%~~ 40% of the basic entitlement and up to ~~35%~~ 40% of the total per-ANB entitlement budgeted within the general fund budget.

(2) If the county retirement ~~mill~~ taxable value per elementary ANB or county retirement ~~mill~~ taxable value per high school ANB is less than the corresponding statewide ~~county--mill~~ taxable value per elementary ANB or high school ANB, the county may receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county."

Section 34. Section 20-9-368, MCA, is amended to read:

"**20-9-368. Amount of guaranteed tax base aid -- reversion.** (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county ~~mill~~ taxable value per elementary ANB and the statewide ~~county-mill~~ taxable value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary

districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county ~~mill~~ taxable value per high school ANB and the statewide ~~county-mill~~ taxable value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.

(3) The amount of guaranteed tax base aid per ANB that a district may receive in support of ~~its-permissive-amount of-the~~ up to ~~35%~~ 40% of the basic entitlement and up to ~~35%~~ 40% of the total per-ANB entitlement budgeted within the general fund budget is the difference between the district ~~mill~~ taxable value per ANB and the corresponding statewide ~~district-mill~~ taxable value per ANB, multiplied by the number of mills levied in support of the district's ~~permissive-amount-of-the~~ general fund budget.

(4) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If-the actual-expenditures-from-the-fund-or-portion-of-the-fund-for which-guaranteed-tax-base-aid-is-earmarked-are-less-than-the amount-budgeted,-the-guaranteed--tax--base--aid--reverts--in proportion--to--the--amount--budgeted-but-not-expended.~~ If a

county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

NEW SECTION. **SECTION 35.** IMPACT AID FUND. (1) THE TRUSTEES OF A DISTRICT THAT RECEIVES FEDERAL FUNDS UNDER THE PROVISIONS OF TITLE I OF PUBLIC LAW 81-874 SHALL ESTABLISH AN IMPACT AID FUND. MONEY RECEIVED UNDER THE PROVISIONS OF PUBLIC LAW 81-874 MUST BE DEPOSITED WITH THE COUNTY TREASURER TO THE CREDIT OF THE IMPACT AID FUND.

(2) THE EXPENDITURE OF MONEY FROM THE IMPACT AID FUND MUST BE MADE PURSUANT TO TITLE I OF PUBLIC LAW 81-874. THE IMPACT AID FUND MUST BE ADMINISTERED PURSUANT TO THE FINANCIAL ADMINISTRATION PROVISIONS OF THIS TITLE FOR NONBUDGETED FUNDS.

NEW SECTION. **SECTION 36.** SEPARATE ACCOUNTING FOR CERTAIN ADMINISTRATIVE EXPENSES -- LIMITATION ON EXPENDITURE AMOUNT -- VOTER APPROVAL FOR EXCESS EXPENDITURES IN PRIOR YEARS. (1) THE TRUSTEES OF A DISTRICT SHALL PROVIDE A SEPARATE ACCOUNTING WITHIN THE DISTRICT BUDGETED FUNDS FOR THE PURPOSE OF RECORDING CERTAIN DISTRICT EXPENSES INCURRED FOR GENERAL ADMINISTRATION (FUNCTION CODE 23XX), BUSINESS SUPPORT SERVICES (FUNCTION CODE 25XX), AND SUPPORT SERVICES CENTRAL (FUNCTION CODE 28XX), AS DEFINED IN THE MOST RECENT EDITION OF THE MONTANA SCHOOL ACCOUNTING MANUAL ISSUED BY THE OFFICE OF PUBLIC INSTRUCTION. THE EXPENSES INCLUDE BUT

ARE NOT LIMITED TO:

(A) THE SALARIES, BONUSES, EDUCATION AND TRAINING, OFFICE EXPENSES, TRAVEL, AND ORGANIZATIONAL MEMBERSHIPS OF THE DISTRICT SUPERINTENDENT, THE SUPERINTENDENT'S STAFF, THE DISTRICT CLERK OR CHIEF BUSINESS OFFICIAL, AND ANY BUSINESS OFFICE STAFF;

(B) ACTIVITIES OF THE DISTRICT BOARD OF TRUSTEES, INCLUDING BUT NOT LIMITED TO TRAVEL AND MEMBERSHIPS IN ORGANIZATIONS;

(C) ACTIVITIES RELATED TO DISTRICTWIDE STAFF RELATIONS, INCLUDING CONTRACT NEGOTIATIONS;

(D) STAFF AND ACTIVITIES RELATED TO PAYING FOR TRANSPORTING, EXCHANGING, AND MAINTAINING GOODS AND SERVICES FOR THE DISTRICT, INCLUDING FISCAL AND INTERNAL SERVICES NECESSARY FOR OPERATING THE DISTRICT; AND

(E) ACTIVITIES IN SUPPORT OF CENTRAL SERVICES FOR THE DISTRICT, INCLUDING PLANNING, RESEARCH, DEVELOPMENT, EVALUATION, INFORMATION, AND DATA PROCESSING.

(2) EXCEPT AS PROVIDED IN SUBSECTION (3), THE TRUSTEES OF A DISTRICT SHALL LIMIT THE EXPENDITURES FOR THE CURRENT SCHOOL FISCAL YEAR FOR THE ADMINISTRATIVE EXPENSES DEFINED IN SUBSECTION (1) TO 95% OF THE AVERAGE OF THE ACTUAL EXPENDITURES FOR THOSE BUDGET ITEMS IN THE 2 SCHOOL FISCAL YEARS PRECEDING THE PRIOR SCHOOL FISCAL YEAR, BEGINNING WITH AN AVERAGE FOR SCHOOL FISCAL YEARS 1991 AND 1992 FOR THE

SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993.

(3) IF THE TRUSTEES OF A DISTRICT DETERMINE THAT IT IS NECESSARY TO EXCEED THE LIMITATION PROVIDED FOR IN SUBSECTION (2) FOR THE CURRENT SCHOOL FISCAL YEAR, THE AMOUNT OF THE EXCESS EXPENDITURE MAY NOT BE USED TO CALCULATE THE LIMITATION PROVIDED FOR IN SUBSECTION (2) FOR THE ENSUING SCHOOL FISCAL YEAR, BUT AN AMOUNT EQUAL TO OR GREATER THAN THE EXCESS AMOUNT MAY BE EXPENDED IN THE ENSUING SCHOOL FISCAL YEAR.

(4) (A) IF AN AMOUNT EQUAL TO OR GREATER THAN THE EXCESS AMOUNT IS EXPENDED IN THE ENSUING SCHOOL FISCAL YEAR, THE TRUSTEES OF THE DISTRICT SHALL FOR THE FOLLOWING SCHOOL FISCAL YEAR:

(I) REDUCE THE ADMINISTRATIVE COSTS DEFINED IN SUBSECTION (1) BY THE SUM OF THE EXCESS AMOUNTS FOR THE 2 SCHOOL FISCAL YEARS IN WHICH THE EXCESS OCCURRED; OR

(II) IF AN AMOUNT IN EXCESS OF THE LIMITATIONS IN SUBSECTION (1) IS DESIRED, SUBMIT A SEPARATE PROPOSITION TO THE ELECTORS WITHIN THE ADDITIONAL LEVY BALLOT PROVIDED IN 20-9-353 TO APPROVE THE EXCESS AMOUNT OF FINANCING AS PROVIDED IN SUBSECTION (3) AND THIS SUBSECTION (4) FOR THE FOLLOWING SCHOOL FISCAL YEAR.

(B) THE SEPARATE BALLOT WITHIN THE ADDITIONAL LEVY BALLOT MUST STATE ONLY THE AMOUNT OF MONEY TO BE RAISED BY ADDITIONAL PROPERTY TAXATION FOR THE TOTAL EXCESS AMOUNT,

THE APPROXIMATE NUMBER OF MILLS REQUIRED TO RAISE THE MONEY, AND THE PURPOSE FOR WHICH THE MONEY WILL BE EXPENDED. THE SEPARATE BALLOT WITHIN THE ADDITIONAL LEVY BALLOT MUST BE IN THE FOLLOWING FORMAT:

PROPOSITION

SHALL A PORTION OF THE ADDITIONAL LEVY BE MADE TO RAISE THE SUM OF (STATE THE AMOUNT TO BE RAISED BY ADDITIONAL TAX LEVY FOR THE ADMINISTRATIVE EXPENSES PROVIDED FOR IN SUBSECTION (1)), BEING APPROXIMATELY (GIVE NUMBER) MILLS, FOR THE PURPOSE OF (INSERT THE PURPOSE FOR WHICH THE ADDITIONAL TAX LEVY IS MADE)?

☐ FOR THE LEVY.

☐ AGAINST THE LEVY.

NEW SECTION. **Section 37.** **Repealer.** Sections 20-9-145, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, AND 20-9-322, ~~and 20-9-348~~, MCA, and section 12, Chapter 6, Special Laws of July 1992, are repealed.

NEW SECTION. **Section 38.** **Name change -- short form amendment.** (1) Wherever it appears in 17-7-140, 20-2-115, 20-6-166, 20-9-116, 20-9-212, 20-9-331, 20-9-333, 20-9-335, 90-6-309, and 90-6-403 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to school funding, to "BASE funding program".

(2) Wherever it appears in 20-7-414, 20-7-431, and 20-7-435 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to funding for special education, to "allowable cost PAYMENT".

NEW SECTION. **Section 39.** **Codification instruction.** [Sections 1 through 3 AND, 35, AND 36] are intended to be codified as an integral part of Title 20, chapter 9, part 3, and the provisions of Title 20 apply to [sections 1 through 3 AND, 35, AND 36].

SECTION 40. SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, IS AMENDED TO READ:

"Section 6. **Effective date ~~---termination~~.** [This act] is effective on passage and approval~~--and--[sections--3 through-5]-terminate-June-30-1993~~."

NEW SECTION. **Section 41.** **Effective ~~date~~. ~~[This act]~~** DATES -- RETROACTIVE APPLICABILITY. (1) EXCEPT AS PROVIDED IN SUBSECTIONS (2) THROUGH (4), [THIS ACT] is effective July 1, 1993.

(2) [SECTION 11] IS EFFECTIVE JULY 1, 1993, AND THE PROVISIONS OF [SECTION 11(3)] RELATING TO EXCESS RESERVES AND PUBLIC LAW 81-874 MONEY APPLY RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO DISTRICT GENERAL FUND RESERVES FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1992.

(3) [SECTION 12] IS EFFECTIVE JULY 1, 1994, AND APPLIES

RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO DISTRICT GENERAL FUND RESERVES FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993.

(4) THE AMENDMENT STRIKING FORMER [SECTION 22(2)], RELATING TO SPECIAL EDUCATION ANB ELIGIBILITY, IS EFFECTIVE JULY 1, 1994.

NEW SECTION. **SECTION 42.** TERMINATION. [SECTION 36] TERMINATES JUNE 30, 1995.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15
In compliance with a written request, there is hereby submitted a Fiscal Note for HB0667, Third Reading.

DESCRIPTION OF PROPOSED LEGISLATION:

"An act equalizing the student and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; calculating a maximum general fund budget for each school district based on a basic entitlement and a total per-ANB entitlement; allowing a district up to 5 years to budget 80% of the maximum general fund budget amount for the district, designated as the base amount for school equity (BASE) budget for districts; providing that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through direct state aid and that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through local revenue sources and guaranteed tax base aid if the district is eligible; providing that the remaining 20 percent of the maximum general fund budget of a district be funded with local revenue with the option of local voter approval for up to 90 percent of the maximum general fund budget amount for a district and with the requirement of local voter approval for any budget amount beyond 90 percent of the maximum general fund budget amount for a district; limiting general fund budget growth that is below the maximum general fund budget to 104 percent of the previous year's total general fund budget or 104 percent of the previous year's general fund budget per ANB multiplied by the current year's ANB; providing general fund GTB aid to eligible districts at 195 percent of the statewide taxable valuation per-ANB; requiring districts above the allowable maximum general fund budget to phase in budget reductions over a 5-year period, starting with a budget freeze in the first year of implementation, until the maximum general fund budget level is achieved; requiring voter approval of a district general fund budget above the maximum general fund budget, with an exemption from the voter approval requirement for the first year of implementation; creating a federal impact aid fund; providing that the balance in the equalization aid account be transferred to the general fund at the end of each fiscal year; removing the termination date in Section 6, Chapter 14, Special Laws of January 1992, to allow income from the sale of timber from state school lands to continue to be deposited in the school equalization account; revising the distribution schedule for state equalization aid; limiting school district expenses related to general administration, business services, and the activities of the Board of Trustees; requiring the trustees of a district to request voter approval for any administration and business services expenses that exceed 95 percent of the average expenditures in certain previous school fiscal years; providing matching funds from the state equalization aid account for Montana mathematics and science grant; and amending and repealing various sections.

ASSUMPTIONS:

1. Average number belonging in the public schools will increase from 151,137 in Fiscal 1993 to 155,061 in fiscal 1994 and 158,282 in fiscal 1995. Full-time special education enrollments are at 2,338 in fiscal 1993 and will decline to 2,000 in fiscal 1995.
2. Fund balance available for reappropriation for the fiscal 1993 general fund budgets was $62.5 million due to a reduction in district operating reserves to 10%. Fund balance available for reappropriation for district general fund budgets will be approximately $38 million in FY94 and fall to $25 million in FY95.

Dave Lewis 3-31-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Russell C. Fagg 3/31/93
RUSSELL FAGG, PRIMARY SPONSOR DATE
Fiscal Note HB0667, Third Reading

HB 667 #2

3. The revenue to fund the "GTB Budget Amount" will come from fund balance reappropriated, non-levy revenue, district property tax levies, and state equalization aid. The reduction in fund balance available for reappropriation from fiscal 1993 to fiscal 1994 will require that an additional $24.5 million be raised by a levy of which the state will contribute approximately $14 million.
4. Districts that are budgeting below the BASE budget level in fiscal 1993 will move toward the BASE budget level in equal increments over a five year period.
5. Maximum district general fund budgets excluding PL874 aid and special education allowable costs will grow from $562 million in FY93 to $580 million and $599 million in FY94 and FY95 respectively, allowing 3.3 and 3.1 percent increases.
6. Direct state support will total $263.9 million in fiscal 1994 and $272.0 million in fiscal 1995. Guaranteed tax base aid will total $105.6 million in fiscal 1994 and $116.7 million in fiscal 1995.
7. The statewide mill value per ANB under existing statute is $17.98 per elementary ANB and 45.80 per high school ANB in fiscal 1994. The statewide taxable valuation for tax year 1993 (used for fiscal 1994 budgets) will be $1,612,902,500.
8. Districts will increase budget 4 percent per year unless the districts is above the maximum general fund budget or below 80 percent of the maximum general fund budget.
9. Non levy revenue estimates used for GTB calculations will be equal to $38 million, the FY92 actual collections, in FY94 and FY95.
10. Inclusion of 2000 full time special education ANB in FY95 adds $3.9 million.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Expenditures:						
Direct State Aid	362,375,200	263,874,000	(98,501,200)	369,994,800	272,027,000	(97,967,800)
General Fund GTB	32,527,700	105,634,000	73,106,300	33,160,400	116,674,000	83,513,600
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Transportation	3,908,166	3,908,166	0	3,914,457	3,914,457	0
Other	75,000	75,000	0	100,000	100,000	0
Total	416,069,816	390,674,916	(25,394,900)	425,013,257	410,559,057	(14,454,200)
Revenues:						
School Equalization Account	391,637,000	394,553,000	2,916,000	400,698,000	404,864,000	4,166,000
School Permanent Trust	15,319,000	12,403,000	(2,916,000)	15,319,000	11,153,000	(4,166,000)
Total	406,956,000	406,956,000	0	416,017,000	416,017,000	0

Revenues: No impact on state revenue collections.

Net Impact: Expenditures from the state equalization account will decrease by $39.850 million in the 1995 biennium below current law estimates as a result of this bill. SEA revenues will increase $7.1 million.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:
Shifts in district property tax levies will occur as a result of this bill. Overall, district levies may increase because of the reduced state funding provided in the bill below the amount that would have been provided under current law. Some districts will be required to increase their general fund expenditures as a result of this legislation to bring them up to the BASE budget. Other districts will be required to reduce their general fund expenditures to bring their budgets down to the maximum general fund budget.

TECHNICAL NOTES:
Federal impact aid funds, PL81-874, are removed from the general fund to an Impact Aid Fund established in Section 35 however the maximum general fund budgets established in Section 3 are not adjusted in the bill to reflect the removal of these moneys to another fund.

The termination of Section 36 at the end of FY95 renders subsection (4) of Section 36 ineffective.

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Chairman Mike Halligan, on March 22, 1993, at 8:00 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Chet Blaylock, Vice Chair (D)
Sen. John Brenden (R)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Dorothy Eck (D)
Sen. Harry Fritz (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)
Sen. Bill Wilson (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: Sen. Daryl Toews (R)

Staff Present: Jeff Martin, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 432
Executive Action: None.

HEARING ON SB 432

Opening Statement by Sponsor:

Senator Tom Towe, Senate District #46, presented SB 432, which is a bill to equalize school funding and budgeting throughout Montana. One of the purposes of this comprehensive equalization bill is to simplify the school foundation program. Senator Towe distributed Exhibit No. 1 to these minutes and discussed the current law relating to School District Funds. He said equalization currently takes place mainly in the 55-County Mills Foundation Program, with a small amount in the Retirement Fund and Permissive Budget Amount. There is currently no equalization in the school Voted Budget, Non-levy Revenue, Special Education, Tuition Fund, Bus Depreciation Fund, Building Reserve Fund, and Building Fund. He said there is a small amount of equalization in the amount the counties contribute toward the Transportation Fund.

Senator Towe said SB 432 will accomplish equalization by taking almost all of these funds and putting them into one fund, and equalizing them. The principle is that if a School District needs more money than they receive from the Foundation Program, the amount needed is determined, and every School District in the state will receive the same additional amount. The average state-wide elementary levy is $27 per student per mill, and the high school levy is $68 per student per mill. SB 432 allows for a School District to ask their County Treasurer to levy according to the $27 or $68 figure, the funds would be paid to the State Foundation Program, and the funds would be released from the State through Power-equalization.

There is local control on these funds; the State doesn't mandate the funds. Most of the budget amendment authorization requirements are eliminated; i.e., if the school district wants to amend their budget, they don't have to come to the State Superintendent's office for approval, except where the Permissive Levy will be affected.

Proponents' Testimony:

Nancy Keenan, State Superintendent of Schools, spoke in favor of SB 432. She said this Committee may want to consider portions of SB 432 and portions of HB 667, a similar bill which will be coming before this Committee soon, in an effort to truly equalize and address the needs of schools across the state of Montana. The purpose of the background work which led to SB 432 has been to get the State of Montana out of Court and address the needs of our school districts and school children across the state, and which will be adopted by both houses.

Ms. Keenan reviewed the main components of SB 432 and the changes from the Current Law to the proposed New General Fund. She said with the study of equalization, they wanted to simplify

Senator Waterman said she likes the simplification in SB 432 and asked the OPI if there are ways the proposals of SB 308 and SB 432 could be meshed so that SB 432 would fit into the funding mechanism in HB 667. Superintendent Keenan said that HB 667 is an entire new program, basically throwing out all the verbiage used for several years, and the effect of the extended mathematical formula is unknown. However, this Committee could combine the 80/20 formula of HB 667 with SB 432, which would equalize per-pupil expenditures. This would address the second issue of the Court case, the taxpayer equity part, and would address capital outlay, transportation, and retirement that HB 667 does not address. Ms. Keenan sees the task of this Committee to compromise both ideas that are meritorious, but that right now, HB 667 is not as workable as SB 432.

Senator Waterman asked if there is adequate funding in SB 432 to adequately fund SB 348, the Special Education bill, in the future. Dori Nielson, OPI, responded that SB 432 intentionally did not do a lot with special education because SB 348 would be dealing with special education. She said, however, that SB 432 allows the mechanisms to be built in.

Senator Waterman asked if this additional cost for special education is built into the fiscal note for SB 432. Ms. Fabiano said it is not. Senator Waterman asked if those figures could be made available to the Committee.

Senator Gage asked if OPI had a printout available for the current ANB spending per district. Ms. Quinlan said this will be made available.

Senator Blaylock asked Mr. Waldron if the MREA opposed HB 667. Mr. Waldron said yes, they testified against HB 667. He said the MREA thinks both bills have some unique ideas in them, and they would support a bill with a few alterations.

Senator Waterman expressed concern about the high-wealth districts that may decide not to levy the permissive mills which generate the Power-equalized money that would come back into the state. If that would occur, where would the funding come from? Jan Thompson, OPI, said the way SB 432 is drafted, districts that are high-wealth would only be certified on a tax base relative to the state-wide average, but it would be a local decision as to whether they wanted to levy the mills to maintain current expenditures or if they chose to reduce mills and, therefore, reduce their general fund. That would all be part of equalizing under the bill. Ms. Keenan said if a district refuses to levy, it would be up to the Legislature to adjust the 180%, and decide if they want to put additional revenue in. Those are policy issues that can be addressed in SB 432, by lowering the 180%, or by other ways of generating revenue.

Senator Eck asked if, with the local government severance tax, an increase in the permissive levy would make a difference

on what a district would get from the tax, or would the increased tax really be on the rest of the taxpayers in that district. Ms. Quinlan said the local government severance tax is distributed on Fiscal 1990 mill levies. The way it would work is the County Treasurer would determine how much of the coal gross proceeds is attributable to the district. The money would be credited to that district, but it would come into the state and the district would get its budget based on mills calculated under the worksheets proposed in SB 432. Ms. Quinlan said the OPI has not looked at changing the way the local government severance tax or coal proceeds are distributed.

Assuming that the coal severance counties would continue to pay as they have in the past, Senator Gage asked if the OPI has determined what affect the power-equalized mills are going to have on utility rates because of an increase in the taxation in those areas which have large tax bases on utility properties. Ms. Quinlan said OPI has not looked at the impact on increased mill levies in the counties.

Senator Gage asked if anyone from the county government groups discussed SB 432 with OPI. Ms. Quinlan responded, "no".

Closing by Sponsor:

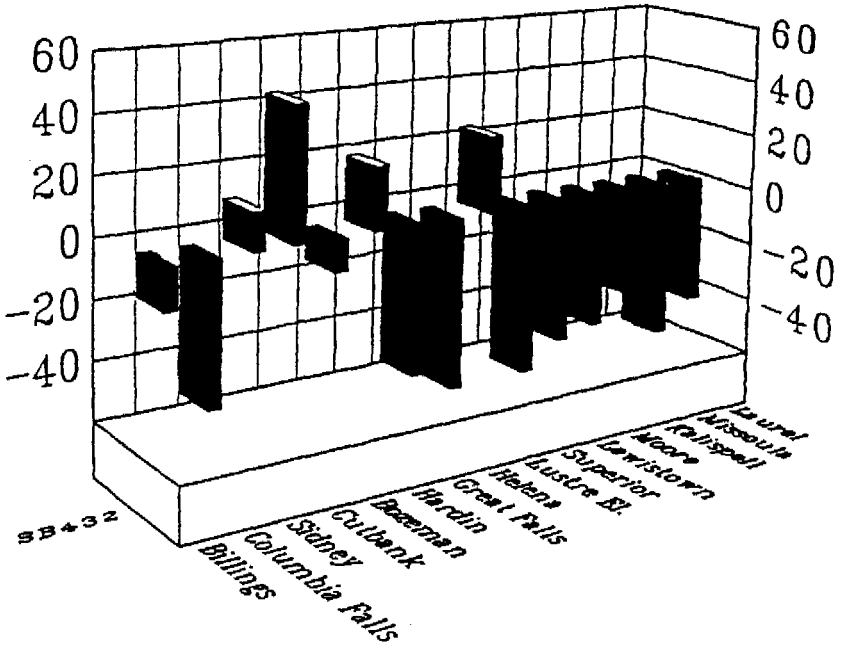
Senator Towe distributed a chart (Exhibit No. 6 to these minutes) showing the impact of SB 432 on the home school district of each Committee member. The graph also shows the impact of HB 667, so comparisons can be made between the two bills. Senator Towe said SB 432 has a much greater equalization than HB 667. Senator Towe said the utility properties at Colstrip will be dramatically affected by SB 432. However, he said approximately 80% of the energy produced at Colstrip is exported, so most of the extra revenue that will come in will not be paid by the Montana Power users.

Senator Towe enumerated the benefits of SB 432, and said the greatest feature is in its simplification; the voted levy is eliminated and the report forms are not complex or complicated. The second greatest feature is equalization of nine separate funds that are not totally equalized now, which should eliminate Court challenges. Third, the big difference between SB 432 and HB 667 is that SB 432 equalizes non-levied revenues. Fourth, no longer is there voted mill levies. Fifth, there are no caps. Sixth, capital projects and bus reserves are also equalized. Seventh, local control is preserved and equalized. Eighth, there is no return of unexpended Special Education and Transportation funds, which he sees as an advantage. Ninth, in order to comply with the new Federal law requirements for Public Law 874 Funds, SB 432 separates 874 Funds into an individual account so there will be no problems with the administration of these funds. Senator Towe says for all of these reasons, he believes SB 432 is worth serious consideration by this Committee.

SENATE TAXATION
EXHIBIT NO. 6
DATE 3-22-93
BILL NO. SB 432

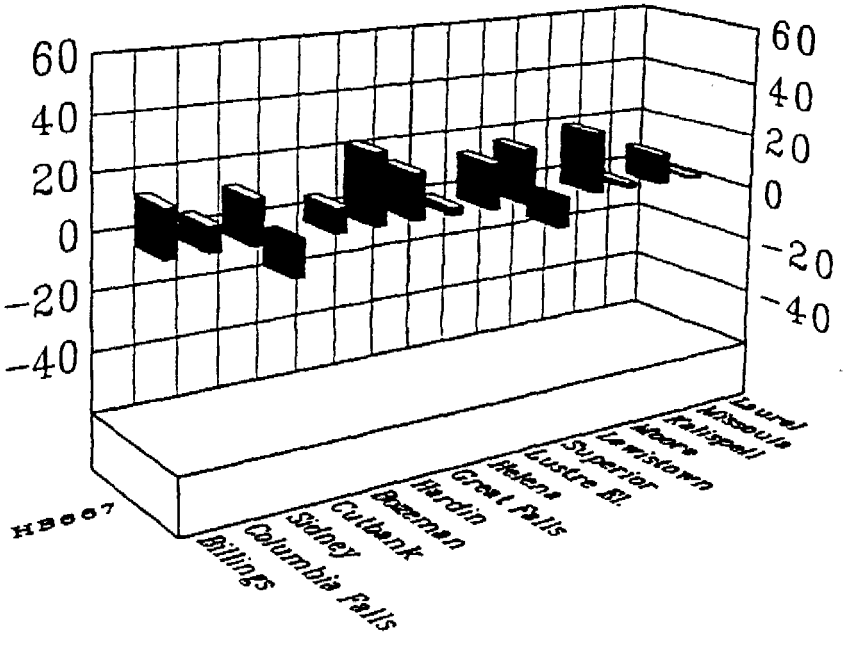
SENATE BILL 432

Mill Levy Impact



HOUSE BILL 667

Mill Levy Impact



ROLL CALL

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE DATE 3-22-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		
Sen. Blaylock, Vice Chair	✓		
Sen. Fritz	✓		
Sen. Hertel	✓		
Sen. Brenden	✓		
Sen. Toews		✓	
Sen. Waterman	✓		
Sen. Wilson	✓		

FC8

Attach to each day's minutes

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Chairman Mike Halligan, on March 31, 1993, at 7:00 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Chet Blaylock, Vice Chair (D)
Sen. John Brenden (R)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Dorothy Eck (D)
Sen. Harry Fritz (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)
Sen. Bill Yellowtail (D)

Members Excused: Sen. Bill Wilson (D)

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: HB 667
Executive Action: None.

HEARING ON HB 667

Opening Statement by Sponsor:

Representative Russell Fagg, House District 89, presented HB 667, which is a bill that primarily equalizes student and taxpayer equity in Montana public schools for kindergarten

through 12th grades (K-12). Rep. Fagg said this bill comes to the Senate out of the House Select Committee on Education. It was put together by the Legislative Auditor's office which worked closely with the House Select Committee to try to fashion the bill to meet the Court rulings in recent lawsuits against the State. These lawsuits were brought because of non-equalized funding in the state's School Foundation Program. Rep. Fagg said HB 667 will pull the low-spending School Districts up to 80% in a base-funding level, and forces the high-spending Districts down to a 100% level of the base funding. The goal of the bill is that in five years, most of the school districts in the state will be between the 80% and 100% spending levels. This will meet the Supreme Court mandates for school equalization.

Rep. Fagg reviewed Exhibit No. 1 to these minutes. The dark horizontal line is the 100% spending level; the lighter horizontal line is the 80% spending level. The Districts making their shifts to these levels will have to do so over the next five years. The 80% level is the base budget; the basics of HB 667 is the base entitlement. HB 667 proposes that the State will pay $200,000 as a base entitlement to every single high school in the state, regardless of the size of the high school, and the state will pay $18,000 as a base entitlement to every single elementary school in the state, regardless of size. The numbers are prorated for 7th and 8th grades. The per ANB (Average Number Belonging [i.e. student]) entitlement is what happens on top of the $200,000 or the $18,000. A high school would get paid $4,900 for its first student. That figure would then drop by 50 cents per student down to 1,000 students. This is called Stop Loss. That is where the consideration comes between the school population sizes. For the first student in an elementary school, the school would be paid $3,500 from the state; this will decrease by 20 cents per student down to 2,000 students for the Stop Loss. When the Stop Loss is reached, there will no longer be a subtraction of 50 cents, or 20 cents, per student.

Rep. Fagg said the base funding is as follows: 40% is direct state aid, which is the state's direct share of the base entitlement; 40% is Guaranteed Tax Base Aid (GTB), if eligible. This is the portion of the base entitlement the state will subsidize through GTB.

Rep. Fagg said for the Districts above 100%, the District will be forced to freeze its budget in the first year. In year two, they will have to decrease their budget by 1%. In both of those first two years, there is no vote requirement to do that. In year three, they will have to cut their budget by 2%, and in year four and each subsequent year, they have to cut their budget by 3%; that is all permissive. The thought is that over the course of one or two years in some Districts, or three or four years in most other Districts, all the Districts will come down to the 100% level.

A formula has been developed for the Districts below 80% to bring them to the 80% level within five years. They will have to budget the greater of either (1) 20% of the range between the current and the base budget; (2) 104% of the prior GF budget; or (3) 104% of the prior GF budget per ANB.

Rep. Dick Simpkins, House District #39, presented Exhibits 2, 3, and 4 to these minutes. He said that the $200,000 and $18,000 base entitlements do not have any reference to the amount of money spent on building maintenance, custodial care, etc. This is strictly base entitlement, and in the long range, this base entitlement will assist in equalizing the smaller schools. The 20% between the 80% and 100% is unsubsidized and funded with local support.

The current law for the guaranteed mill levy is 121% of the state-wide average. HB 667 provides for GF guaranteed tax base aid to eligible districts at 195% of the state-wide taxable valuation per ANB.

Rep. Simpkins said projected growth is not included in HB 667, and all special education (SP ED) students are picked up in their second year and will be counted as an ANB.

Rep. Simpkins said the "Boharski amendment" to HB 667 would require the Districts to use the previous year's actual figures of non-levied revenue. There are other amendments which this Select Committee may wish to consider, one being the "Stang amendment" which is weighted GTB. Another proposed amendment is the "Kadas proposal" which would require that non-levy revenues to the state be re-distributed. Rep. Simpkins said this revenue could also be put directly into the County equalization account and it eventually lowers the state requirement. The House Committee also considered using enrollment figures rather than ANB, and changing the accounting periods.

Rep. H. S. "Sonny" Hanson, House District #87, said his testimony will deal with how to change the system. He said HB 667 is in two sections; one is equalization, and the second is the control of the spending from the equalization account. He explained the way the House Education Committee arrived at the figures and percentages which make up HB 667, shown on the first page of Exhibit No. 4.

Rep. Ray Peck, House District #15, the Vice Chairman of the House Select Committee on Education, said HB 667 advances school equalization in the state. He feels the "Wanzenried amendment" which went into HB 667 will not work, and this Select Committee may want to take that amendment out of the bill. Rep. Peck urged the Simms program appropriation be left in the bill because it calls for significant matching Federal dollars to develop a mathematics curriculum; it has been in place for two years in Montana and is progressing nicely.

Rep. Peck said he hopes the effective dates in HB 667 will remain as they are presently listed. He thinks this bill has a balancing effect regarding rural school consolidation. He urges a favorable consideration of HB 667.

Rep. Bill Boharski, House District #4, said there are two factors to look at in HB 667: (a) An effort to equalize, and (b) An effort to remove $40 million from the budget. He said the base entitlement, per student allocation, and per student reduction factor, are the three numbers that drive the budget, and the budget is what the House Committee tried to set when it tried to equalize. These figures are shown on the first three lines of page 1 of Exhibit No. 4. He said the percentages next shown are the tax side and the dollars the state has to help support education.

Rep. Boharski said the $27,408,927 figure shown is what the House determined has to be cut from the budget. This figure does not include special education. This $27 million figure, spread over the biennium, will end up being a total of $40 million when the 2,000 special education ANB students are included.

Rep. Boharski said the difficulty is that the Legislature is forcing Districts to spend more money than they have spent in the past, if they are below the 80% level.

HB 667 directs that the Federal 874 monies will be set up into a separate account.

Rep. Mike Kadas, representing House District #55, presented graphs, listed as Exhibits 5, 6, and 7 to these minutes. He said HB 667 is fundamental in revamping the state education program schedules. The state is being sued over these by the Rural Education group because of inequality in funding to different-sized schools. The current program has been in force for nearly 45 years and has been changed incrementally and politically over that time, but never with much rationality. Rep. Kadas reviewed and explained the graphs.

Exhibits No. 5, 6, and 7 are the progression analyses. To do the graphs, they took all District budgets and backed out special education and Federal 874 monies. Using what remained, they figured the dollars per student for each school, and took off the high 5% spenders and the low 5% spenders. Those remaining were plotted on the graph. The vertical numbers are dollars per student, the horizontal figures are students. There is a high concentration of numbers in the upper left-hand side of the graph which are smaller districts which have a high spending per student. Moving to the right on the graph, the corresponding number of points falls and becomes lower; those are larger schools that have lower spending per student. The statistical method takes all those points and figures a linear (straight) line that best approximates all of the points together. The Regression/ANB line on the graph is the average; this will

determine what the level of state support ought to be, depending on the size of the school. They put the straight line on the graph and then tried to match schedules with that; this is where the $18,000 per elementary school and $3500 per student, minus 20 cents up to a Stop Loss of 2000, is determined (see reverse side of Exhibit No. 6).

Rep. Kadas said this works reasonably well until getting to the larger schools. There, the 20 cents per student takes over and the bigger school's budget per student keeps going down, but the regression analysis line doesn't decrease at as steep an angle as does the formula set up to set out the dollars. The Stop Loss is then put in to try to recognize that. The Min/ANB is the 80%, and the Max/ANB is the 100% schools. The Min/ANB and Max/ANB should bound either side of the Regression/ANB line. Districts should then be somewhere within the bounds of the formula. This doesn't happen with the larger schools. The high schools graph, using an 800 Stop Loss, shows the Regression/ANB line closer to being in the middle between the Max/ANB and Min/ANB lines. Rep. Kadas asked the Committee to seriously consider moving the Stop Loss to 800.

Rep. Kadas recommends some amendments be adopted to make sure special education state dollars are put into the base and allow Districts to leverage those state dollars. Rep. Kadas believes the state dollars should be made equivalent to the 40% state support amount; then allow for the 80% GTB to be local effort and match the state amount. If schools want to go even higher, they would have the ability to do that within their voted 20%, between 80% to 100%. Rep. Kadas said that special education needs to go into the base in order to do all that.

The way HB 667 stands now, Districts will be forced to take out of their other instructional budgets to cover special education costs. An amendment has been put on the bill to require a vote on budgets above 90%. Most Districts above 80% are currently going for a vote, so even at 90%, Districts are given a larger permissive. Rep. Kadas argued that the Legislature needs to maintain some kind of a vote; otherwise, there may be a happening similar to 1989 where the Legislature increased the permissive and District Trustees took advantage of that by significantly increasing property taxes. If that is going to happen, there needs to be some voter participation; it should not just be turned over to the District Trustees. Rep. Kadas suggests keeping the voters involved.

Rep. Kadas thinks keeping the 104% cap based on ANB is a good idea; this needs to be done in order to deal with growing Districts. He thinks the over-all cap of 100% with the 5-year phase-in forcing Districts to come back to 100%, does not make sense. He would rather see a District frozen where they are instead of forcing them to come down. If frozen, they will still suffer because they will have to eat inflation, but he thinks this is more fair.

Rep. Kadas argues that the "Wanzenried amendment" should stay in HB 667. For FY 94, it would take administrative budgets from FY 91 and 92 and allow 95% of the average of those budgets to be spent on administration. The extra 5% would have to go into instruction, planning, athletics, or some other part of the district budget. For FY 95, they would take FY 92 and 93 budget averages. The amendment would terminate after two years. Rep. Kadas said Montana's spending per student compared to nationwide figures is about average; the teacher's salaries are in the lower 1/3; the difference is possibly going toward administration.

Rep. Kadas said HB 667 is a total change from what is currently being done, and he recommends concurrence.

Proponents' Testimony:

Larry Fasbender, representing Great Falls Public Schools, said he was appearing in support of HB 667. However, he said he thought the Legislature has put too many caps in this bill and too much local control is lost. He also does not agree with the $40 million reduction in school funding.

George Bailey, Superintendent of Schools at Broadus, spoke in favor to HB 667, saying it has been needed for at least the last five years.

Harry D. Erickson, Superintendent of Schools at Belgrade, said he supports HB 667, but certain amendments have made it less attractive. He encourages passage of the bill in its original form.

Bernard Rosling, Superintendent of Schools at Somers, spoke on behalf of his School Board, saying they favor HB 667, but are concerned about the administrative cost reductions. They also ask the Section 504 regarding sexual harassment be addressed in the bill.

Robert Aumaugher, Superintendent of the Evergreen School in Kalispell, spoke in favor of HB 667 on behalf of the School Trustees; however, they do not support the Wanzenried amendment.

Ryan Swan, Evergreen School Principal, said he supports HB 667 without the Wanzenried amendment.

Eric Feaver, Montana Education Association, said he supports HB 667, but thinks this Committee should amend SB 32 into this bill. He said MEA would resist rolling school retirement into scheduled payments to school districts. Mr. Feaver submitted Exhibit No. 8 to these minutes.

Pat Melby, representing the Underfunded Schools Coalition, said he supports the concept of HB 667; however, some of the amendments and caps put into the bill causes them problems.

Al McMillan, Superintendent of Townsend Public Schools, said he supports HB 667.

Ron Stegmann, Superintendent of Schools in East Helena, spoke in support of HB 667.

Opponents' Testimony:

Nancy Keenan, State Superintendent of Public Instruction, spoke in opposition of HB 667, saying it is basically unacceptable. She said the state needs equalization and HB 667 could be that vehicle if it is seriously amended. Her first objection is the $40 million reduction in the bill. She said the Legislature is asking schools to use the same funding they used two years ago, while they are being affected by Workers Comp, health insurance, utility rate increases, and textbook and computer cost increases. HB 667 does not recognize the 7100 new students in the state. Ms. Keenan presented Exhibit No. 9 to these minutes. She said HB 667 does not equalize non-levy revenue and taxpayer equity, nor does it coordinate with the special education bill (SB 348), and it has a multi-system cap. If HB 667 is implemented July 1, 1993, there will be a great deal of budget amendments by the local school districts necessitated by their increases in enrollment; this will make school administration much more complex. She said the report forms the districts will have to submit to the OPI are very complex.

Ms. Keenan said the 80%-100% range is a good concept. She agreed that high-spending Districts could be frozen, but asked that Districts not be forced to spend down. She said it is reasonable that low-spending Districts be required to budget up to the 80% level to equalize. Montana's education systems have received a $9 million grant from the National Science Foundation which needs a match of $1 million. The state's preference is to meet this match so the grant is not taken away. Ms. Keenan said she is willing to work with all Committees to try to make HB 667 workable for public schools.

Don Waldron, representing the Montana Rural Education Association, presented Exhibits 10 and 11 to these minutes.

Bruce Moerer, representing the Montana School Boards Association, said they supported HB 667 as it came out of the House Select Committee, but have some concerns about it now.

Darrell Brabec, Colstrip School Board Trustee and Parent/Student Advocate, spoke in opposition to HB 667 because of the cut to the top Districts. He said they do support equalization.

Lynda Brannon, representing the School Business Officials and the Indian Impact Aid Schools, said HB 667 started out to be a good bill, but the last-minute amendments wrecked it.

Jim Smitham, Chairman of the Board of Trustees, School District #1 in Butte, said their budgets would be cut drastically under HB 667 and they oppose it for this reason.

Daniel B. Sybrant, Superintendent of Schools at Pryor, said he opposes HB 667 as written due to the serious impact it will have on his elementary district.

Terry Minow, representing the Montana Federation of Teachers, said her opposition to HB 667 is both general and specific. She said by capping, freezing, and cutting schools, this bill equalizes downwards towards mediocrity. She opposes the bill also because of the requirements for voted levy for schools 90% and above in the second year of the biennium, and it provides no means of keeping up with inflation and the increased cost of doing business.

Debbie Shea appeared as a teaching member of the Butte Teachers Union, and as a parent with children in the public school system in Butte. She said qualified staff will be forced to reduce the quality of education because of restrictive caps placed by HB 667.

Jim Anderson, Colstrip Public Schools, said his school students have requested him to explain to them why their school district has to be reduced. The kids understand equalization, but they believe it is not right that they have to reduce their budget by $1.25 million over a period of time to make everybody else equal; they think other districts should raise up to their level.

John McNeil, Superintendent of Schools at Savage, presented Exhibit No. 12 to these minutes.

Jim Stanton, Superintendent of Schools at Baker, said he opposes HB 667, and asks the Committee to consider postponing the effective date.

Loren Frazier, School Administrators of Montana, extended his willingness to work on this bill with the Committee. He said everyone agrees with the concept, and he would like to help make it a good bill.

Rick Ripley, Superintendent of Schools at Choteau, reminded the Committee that many school districts are voting on levies next Tuesday, and that teacher's contracts will be reviewed the first of May. School Districts need some direction immediately in order to make important decisions on their budgets.

Informational Testimony:

None.

Questions From Committee Members and Responses:

Senator Towe asked how an impact aid school, which may presently be at 40%, can be raised to 80%. Rep. Cobb said he wasn't sure how to respond to this question, but the House committee took the Federal 874 language directly from OPI's bill. Jim Gillett, Legislative Auditor's office, said this was the first he had heard of the issue. The workings of 874 are extremely complex and individual situations have special concerns.

Senator Towe asked about the Pryor School situation where each mill is only worth $642, because the district is largely on an Indian Reservation. The Superintendent said he would have to cut $145,000 out of his $300,000 budget, which would be impossible to do without increasing the mill levies from a current 145 mills to 300 mills. Mr. Gillett said this committee might look at amendments to the GTB system for schools like Pryor.

Senator Towe asked for clarification on the non-levy revenue part of HB 667. Rep. Simpkins said at the present time, the only amendment that went on the bill was Rep. Boharski's, which went back one year and picked up about $12 million more than what has been projected. Rep. Kadas also considered the possibility of moving all the non-levy revenue for education to the state and, in effect, redistributing the non-levy revenue; however, this is not in HB 667. Another alternative is to have the districts roll the non-levy revenue into their county equalization account and this would lower the state dollar support. Rep. Simpkins said the Legislative Auditor had extreme difficulty pinpointing the non-levy revenue that was out there. OPI and the Legislative Auditor's office tried to get the figures together, and they projected $25 million in non-levy revenue, but the actual expenditures were $32 million. This has created a problem with school districts who were spending more money than they took in.

Senator Waterman asked what the 800 Stop Loss would cost, as opposed to 1,000 Stop Loss. Rep. Kadas said he remembered it to be about $1 million.

Senator Blaylock commented about re-working the school budgeting procedure, resulting in HB 28, and that one of the fears expressed was that in order to meet the Court mandates, it would be a great temptation to dummy down. The school district representatives appearing today have expressed a preference for freezing their budgets rather than reducing them. Senator Blaylock asked Rep. Cobb his opinion of this situation. Rep. Cobb responded that this is a policy decision for this Committee to make. The House committee considered several options, including bringing every district down 2% a year, and freezing the high-spending districts at present budget.

Senator Blaylock said he thinks one of the aims of this Legislature should be to simplify the procedures that the schools go through in setting their budgets. The Senator asked Superintendent McNeil if HB 667, in its present form, would simplify reporting procedures. Mr. McNeil said it has as far as calculation of budget maximums. What he sees as a small problem is how the caps are affected in the different areas of the districts. He doesn't see HB 667 as a problem conceptually or with understanding it.

Senator Towe said HB 667 addresses per pupil equalization, but it doesn't help in the area of transportation, special education, tuition, capital outlay, and all of those other things the Courts have referred to. He asked if the bill will get the state out of the Court case problems. Rep. Cobb responded that it would get the state out of the Court cases, however, the House didn't make recommendations on transportation, retirement, weighted GTB, etc., because they wanted to determine first if the Senate liked the HB 667 concept before any more work was done on the bill. He said it would be simple to put transportation into the bill; most of the work has been done on the weighted GTB; and some of the other issues could be looked at and cleaned up, and included in the bill, such as special education.

Rep. Kadas responded that there are four areas that have to be equalized: transportation, retirement, general fund budget, and capital outlay. Transportation is not equalized and he doesn't think it will be done this Legislative Session, since the whole system needs to be restructured. With regard to retirement, he thinks it is equalized. Rep. Kadas said HB 667 will equalize the general fund, and if the proper amendments are made regarding special education, this could be included within that total equalization. He thinks the vehicles are there, and it would not be very difficult to do. Regarding capital construction, Rep. Kadas said the Senate sent a good bill (SB 32) to the House to take care of this, the House added amendments, and Rep. Kadas said he hopes the Senate will reject the amendments when the bill comes back. Overall, most issues are being worked out to meet the Court mandates.

Senator Towe asked for response to the comments that the caps are complex and complicated. Rep. Kadas said he thinks there is clearly a problem with growing districts under the 104% cap. Expanding districts need to have some flexibility, especially those districts that are expanding at more than 5% per year. Part of the complexity is adding the 104% per ANB, but he thinks it is necessary to do and the Districts can figure it out. Regarding the phase-down, over-all caps, Rep. Kadas said he doesn't think it needs to be as complicated as it is in the bill, that it is punitive, and he thinks budgets should be just frozen.

Senator Gage asked if any figures are available on what the fiscal impact is for each one percent change in the entitlement reduction. Rep. Kadas said this will be provided.

Senator Gage asked about the differences in the salaries of School Superintendents throughout the state. No one could respond to this question.

Senator Gage asked if the House Committees looked at funding on the basis of a classroom unit in K-8 classes. Rep. Kadas said this was discussed briefly, but was not pursued, although it is a legitimate way of doing it.

Senator Fritz asked if $200,000 is going to go to every high school district, what is preventing a district from splitting and each district getting $200,000 apiece. Rep. Kadas said there would be no advantage, since that amount is minuscule for larger districts. He doesn't believe this would happen. Rep. Kadas said, however, this $200,000 payment may discourage smaller districts from consolidating.

Closing by Sponsor:

Rep. Cobb presented Exhibit No. 13 to these minutes, saying this is how the House determined which issues to look at. He said the House Committee did not have time to look at an incentive to consolidate school districts, and the amendments placed in the bill need to be looked at carefully, as well as the Stop Loss issue, and technical amendments OPI has suggested need to be placed in the bill. He asked that this Committee look at transportation and capital outlay, and said special education still needs to be addressed, and the implementation date should be reviewed. He believes most School Boards and Superintendents want this bill, but they may not like the caps and amendments placed in it; he also said they want the bill implemented now. Rep. Cobb believes the two pending lawsuits would end if HB 667 is implemented now.

ADJOURNMENT

Adjournment: The meeting adjourned at 9:55 a.m.

MIKE HALLIGAN, Chair

BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE DATE 3-31-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		
Sen. Blaylock, Vice Chair	✓		
Sen. Fritz	✓		
Sen. Hertel	✓		
Sen. Brenden	✓		
Sen. Toews	✓		
Sen. Waterman	✓		
Sen. Wilson			✓

FC8

Attach to each day's minutes

BASE AMOUNT FOR SCHOOL EQUITY (BASE) FUNDING PROGRAM
GENERAL FUND STRUCTURE UNDER HB 667, 3RD READING

BASE FUNDING PROGRAM	FUNDING SOURCES	CAPS & VOTER APPROVAL
GENERAL FUND BUDGET OVER MAXIMUM	**OVER-MAXIMUM FUNDING** DISTRICT VOTED LEVY NONLEVY REVENUE VEHICLE FEES, INTEREST, TUITION, FLAT TAX, LGST CASH REAPPROPRIATED	NO VOTE FOR FY 94 FY 94, FROZEN AT: PRIOR GF BUDGET OR PRIOR GF PER-ANB VOTE REQUIRED FOR FY 95 ON FY 95, LIMITED TO: 99% PRIOR GF BUDGET OR 99% OF PRIOR GF PER-ANB FY 96, LIMITED TO: 98% OF PRIOR GF BUDGET OR 98% OF PRIOR GF PER-ANB FY 97 & BEYOND, LIMITED TO: 97% OF PRIOR GF BUDGET OR 97% OF PRIOR GF PER-ANB
MAXIMUM GF BUDGET (100% LEVEL) 100% OF ENTITLEMENTS	**MAXIMUM BUDGET FUNDING** DISTRICT OVER-BASE LEVY NONLEVY REVENUE VEHICLE FEES, INTEREST, TUITION, FLAT TAX, LGST CASH REAPPROPRIATED	VOTE REQUIRED ABOVE 90% STARTING WITH FY 95 BUDGET GROWTH LIMITED TO: * 104% OF PRIOR GF BUDGET * 104% OF PRIOR GF BUDGET PER-ANB OPTIONAL VOTE ON LEVY FROM 80% TO 90% SAME BUDGET LIMITATIONS AS ABOVE
BASE BUDGET 80% MANDATORY LEVEL 80% OF ENTITLEMENTS BASIC ENTITLEMENT $200,000 HIGH SCHOOL $18,000 ELEMENTARY PRORATED FOR 7TH & 8TH GRADE PER-ANB ENTITLEMENT $4,900 - $.50, UP TO 1,000 H.S.ANB $3,500 - $.20, UP TO 2,000 ELEMENTARY ANB $4,900 - $.50, UP TO 1,000 FOR 7TH & 8TH GRADE ANB FULL-TIME SPECIAL ED IN FOR FY 95	**BASE BUDGET FUNDING** • DISTRICT BASE BUDGET LEVY • DISTRICT NONLEVY REVENUE • STATE AID BELOW FOR: 40% DIRECT STATE AID 40% GTB, IF ELIGIBLE GTB 195% OF STATE TV PER-ANB (161% X 1.21 FOR NONLEVY $) STATE EQUALIZATION ACCOUNT 40 MILL LEVY NET LOTTERY REVENUE INCOME TAX (41.3%) CORPORATION TAX 28.5%) COAL SEVERANCE TAX U.S. MINERAL ROYALTIES 15% COAL TRUST INTEREST SCHOOL TRUST INCOME COUNTY SURPLUS DIRECT APPROPRIATIONS COUNTY EQUALIZATION 33 MILLS FOR ELEMENTARY 22 MILLS FOR HIGH SCHOOL OTHER REVENUE VEHICLE FEES, FEDERAL FOREST, TAYLOR GRAZING, MISC. REVENUES	5 YEARS TO BUDGET AT LEAST BASE BUDGET LEVEL BY GREATER OF: • 20% OF RANGE BETWEEN CURRENT AND BASE BUDGET • 104% OF PRIOR GF BUDGET • 104% OF PRIOR GF BUDGET PER-ANB OTHER COMPONENTS FOR FY 94 & 95, ADMINISTRATIVE AND BOARD EXPENSES LIMITED TO 95% OF AVERAGE FOR 2 PRIOR YEARS UNLESS APPROVED BY VOTERS P.L. 81-874 FUNDS MOVED TO NEW NONBUDGETED IMPACT AID FUND

SENATE TAXATION
EXHIBIT NO. 1
DATE 3-31-93
BILL NO. HB667

A. MERRILL, LEGISLATIVE COUNCIL 3/30/93

SENATE TAXATION
EXHIBIT NO. 2
DATE 3-31-93
BILL NO. HB 667

MEMORANDUM

The attached information includes an overview of the Equalization Model and definitions of terms used in the model and outlined in House Bill 667. Also available are statistic sheets and a district listing where school districts' fiscal year 1992-93 budgets have been **restated** as though HB 667 had been in effect for fiscal year 1992-93. The district listing shows a **restatement** of fiscal year 1992-93 budgets and is not intended to indicate budget or mill impacts on future fiscal years.

House Bill 667 provides state support in the manner outlined on the "Listing of Spreadsheet Data Element Assumptions" as shown on the district listing and statistic sheets. Following is an explanation as to why some of the data elements are set where they are.

1. The required low spender growth is set at 20% of the difference between fiscal year 1992-93 budget and the mandatory level; and the estimated district budget growth is set at 0%. HB 667 provides budget growth for these districts to the greater of the 20% difference, 104% of the prior year's budget, or 104% of the prior year's budget per-ANB multiplied by the current year's ANB. However, the estimated budget growth is set at 0% because this is a **restatement** of fiscal year 1992-93 and not a projection to a future fiscal year. The district listing spreadsheet assumes districts have already increased their fiscal year 1992-93 budgets to the extent desired and allowed under existing statutes.

2. The "required high spender reduction" was set at 0% because HB 667 freezes those districts (i.e. those whose fiscal year 1992-93 budgets exceed the calculated maximum under HB 667) at the fiscal year 1992-93 level for the first year of implementation. However, the bill does provide some budget flexibility for districts that are experiencing increasing ANB. Any projection to fiscal year 1993-94 would also set these districts' budgets at the fiscal year 1992-93 level.

Explanation of School Funding Equalization Model

The school funding equalization model developed by the Office of the Legislative Auditor was prepared at the request of the Speaker and certain members of the House Select Committee on School Funding. The objective was to give the legislature a picture of the possible effects of an equalized funding system for schools.

The two primary equalization issues facing the state are "spending disparities" between similarly sized districts and "wealth neutrality" issues between districts because of differences in property tax values in various districts.

The model which was developed equalizes school budgets by providing for maximum school general fund budgets which will be established by formula in law. The primary factor in computing those budgets would be a per student factor, multiplied by the number of students attending the schools of the district. In addition each district would receive a "base entitlement" which would be the same for each district, regardless of its number of students. The base entitlement and per student allocation factors are different for elementary and high school districts. Each district would be required to budget at least eighty percent of the amount computed based on the factors included in the law.

The state would provide school districts with support for the required general fund budget amount (the eighty percent level) through a combination of direct state payments and guaranteed tax base subsidies. The remaining portion of the budget, if the districts choose to budget above the required level, would be paid from local district resources not subsidized by the state.

The major differences between this model and the current system are listed below:

1. Maximum school general fund budgets are established by the legislature through a formula included in the law.

2. Required school general fund budgets are established in law at eighty percent of the maximum general fund budget.

3. Through the expanded use of guaranteed tax base aid along with direct state payments the property tax base disparities between school districts are further mitigated.

4. Spending disparities are limited to acceptable levels because of the maximum and mandatory spending levels required by law.

5. For those districts whose current budgets are above the maximum or below the mandatory budget level the effects of the system change are phased in over a period of years.

March 12, 1993

Office of the Legislative Auditor
School Funding Analysis Definitions

Base Entitlement - Minimum amount each School District will receive if in operation. Elementary schools having both elementary and jr. high ANB receive a prorated base. For example, if there are 75 elementary and 25 jr. high ANB, the district would be allocated the total of 75/100 of the elementary base and 25/100 of the high school base.

Per Student Allocation - Amount each School District receives per ANB. Jr. High per student allocation is allocated based on the high school amount.

Per Student Reduction Factor - The amount of money the per student allocation is reduced for each additional ANB.

State Support Percentage (Base) - The state's direct share of the base entitlement.

Guarantee Percentage (Base) - The portion of the base amount the state will subsidize through guaranteed tax base.

Unsubsidized Percentage (Base) - The portion of the base amount that is unsubsidized (local option to fund).

State Support Percentage (Per Student) - The state's direct share of the per student allocation.

Guarantee Percentage (Per Student) - The portion of the per student allocation the state will subsidize through the guaranteed tax base.

Unsubsidized Percentage (Per Student) - The portion of the per student allocation that is unsubsidized (local option to fund).

Mill Guarantee Percent of Current Guaranteed Mill Value - The factor applied to the current guarantee for permissive mills. The current statutory guarantee is 121% of the statewide average mill value per ANB.

Required Low Spender Growth - The percentage of the difference between the current budget and the mandatory spending limit by which the district is required to increase its budget for the subsequent year. This factor is applied to those districts whose FY93 budgets fall below the new mandatory budget.

Required High Spender Reduction - The percentage by which the district must decrease its FY93 budget for the subsequent year. This factor is applied to those districts whose FY93 budgets exceed the new maximum budget. In the current version of the bill, there is no required reduction for the first year, 1% for the second year, 2% for the third year, and 3% for each year thereafter.

Estimated District Budget Growth - The percentage by which districts whose budgets fall between the new maximum and new mandatory budgets are estimated to increase for the following year. The districts cannot exceed the new maximum budget. This factor is set at zero in the attached spreadsheet because it is a restatement of the FY93 budgets which already contain the districts' budget growth.

Maximum Per Student Reduction ANB - The level at which the per student reduction factor is no longer used.

Current FY93 GF Budgets - FY93 districts' general fund budgets less special education allowable costs and P.L. 81-874.

Total Simulated GF Budgets - The maximum simulated FY93 budget.

Old State Support - Foundation schedules plus GTB subsidy.

New State Support - The state's share as calculated by the direct state support and GTB subsidy on base and per student allocations.

State Equalization % - The percent of dollars supporting the maximum general fund budget which are provided or guaranteed by the state, including nonlevy revenue used in lieu of guaranteed mills.

SCHOOL FUNDING MODEL AS OF MARCH 30, 1993

DISTRICTS BUDGETING MORE THAN THE MAXIMUM BUDGET ARE FROZEN IN YEAR 1, REDUCED BY 1% IN YEAR TWO, 2% IN YEAR 3, 3% IN YEAR 4 AND EACH SUBSEQUENT YEAR UNTIL THEY REACH THE MAIXIMUM BUDGET LEVEL. BUDGETS ABOVE THE MAXIMUM LEVEL REQUIRE A VOTE BEGINNING IN YEAR 2.

UNSUBSIDIZED PORTION
FUNDED WITH LOCAL SUPPORT.

100%

MAXIMUM BUDGET

BUDGETING IN THIS 20% CORRIDOR IS AT THE OPTION OF THE TRUSTEES. THE BUDGET IS LIMITED TO 104% OF THE PREVIOUS YEAR'S TOTAL BUDGET OR 104% OF THE PREVIOUS YEAR'S BUDGET PER ANB MULTIPLIED BY CURRENT YEAR ANB. BUDGETS ABOVE THE 90% LEVEL REQUIRE A VOTE.

20%

UNSUBSIDIZED PORTION
FUNDED WITH LOCAL SUPPORT.

80%

MINIMUM BUDGET

DISTRICTS BUDGETING LESS THAN THE MINIMUM BUDGET LEVEL ARE REQUIRED TO INCREASE BUDGETS BY 20% OF THE DIFFERENCE BETWEEN THE CURRENT BUDGET AND THE MINIMUM BUDGET LEVEL UNTIL THEY REACH THE MINIMUM BUDGET. AFTER THE FIVE YEAR PHASE IN PERIOD ALL DISTRICTS ARE REQUIRED TO BUDGET THE MINIMUM LEVEL EACH YEAR.

SUBSIDIZED PORTION

FUNDED THROUGH A COMBINATION OF DIRECT STATE SUPPORT AND GUARANTEED TAX BASE SUBSIDY.

SENATE TAXATION
EXHIBIT NO. 3
DATE 3-31-93
BILL NO. HB667

Select Committee on School Finance
3-31-93
EX #4 HB-667

SENATE TAXATION
EXHIBIT NO. 4
DATE 3-31-93
BILL NO. HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,984,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,833,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	458	$1,853,089	$1,812,844	$1,832,975	$1,873,220	$20,131	-6.34	77.02%		
BEAVERHEAD	DILLON ELEM	1,048	$3,170,993	$3,029,658	$3,060,671	$3,202,006	$31,013	4.38	77.68%		
BEAVERHEAD	GRANT ELEM	26	$77,670	$77,670	$79,566	$79,566	$1,896	11.24	73.04%		
BEAVERHEAD	JACKSON ELEM	25	$76,774	$76,774	$78,289	$78,289	$1,516	14.67	74.25%		
BEAVERHEAD	LIMA ELEM	75	$299,565	$291,106	$291,106	$299,565	$0	34.15	81.20%		
BEAVERHEAD	LIMA H S	37	$284,223	$281,167	$285,888	$288,944	$4,721	15.93	75.24%		
BEAVERHEAD	POLARIS ELEM	12	$36,557	$36,557	$38,844	$38,844	$2,286	6.75	64.75%		
BEAVERHEAD	REICHLE ELEM	19	$71,667	$71,667	$71,667	$71,667	$0	17.81	84.85%	*	
BEAVERHEAD	WISDOM ELEM	45	$140,000	$140,000	$140,048	$140,048	$48	22.72	79.89%		
BEAVERHEAD	WISE RIVER ELEM	26	$77,796	$77,796	$79,666	$79,666	$1,870	16.64	73.13%	*	
BIG HORN	COMMUNITY ELEM	30	$87,716	$87,716	$89,839	$89,839	$2,123	8.97	73.09%	*	
BIG HORN	HARDIN ELEM	1,135	$4,793,690	$3,322,875	$3,339,264	$4,810,079	$16,389	9.03	83.99%	*	
BIG HORN	HARDIN H S	382	$2,719,397	$2,141,945	$2,141,945	$2,719,397	$0	8.59	104.08%	*	**
BIG HORN	LODGE GRASS ELEM	385	$2,751,602	$1,777,977	$1,777,977	$2,751,602	$0	0.00	110.61%	*	
BIG HORN	LODGE GRASS H S	153	$1,919,482	$1,392,922	$1,392,922	$1,919,482	$0	0.00	130.54%	*	
BIG HORN	PLENTY COUPS HS	42	$616,704	$315,433	$317,205	$618,476	$1,773	5.16	87.52%		
BIG HORN	PRYOR ELEM	42	$300,865	$185,799	$185,799	$300,865	$0	17.37	87.71%		
BIG HORN	SQUIRREL CRK ELEM	9	$70,006	$70,006	$70,006	$70,006	$0	1.23	141.45%	*	**
BIG HORN	WYOLA ELEM	54	$483,491	$229,057	$229,057	$483,491	$0	16.71	90.75%		
BLAINE	BEAR PAW ELEM	18	$70,888	$70,888	$70,888	$70,888	$0	19.90	87.55%		
BLAINE	CHINOOK ELEM	337	$1,220,000	$1,196,218	$1,196,218	$1,220,000	$0	17.43	88.28%		
BLAINE	CHINOOK H S	198	$1,090,000	$1,066,206	$1,066,206	$1,090,000	$0	6.56	92.04%		
BLAINE	CLEVELAND ELEM	13	$52,749	$52,749	$52,749	$52,749	$0	14.24	83.09%		
BLAINE	HARLEM ELEM	409	$2,000,000	$1,159,828	$1,180,820	$2,020,992	$20,992	5.30	83.47%	*	**
BLAINE	HARLEM H S	141	$1,085,320	$633,340	$648,426	$1,100,406	$15,086	9.74	82.25%		
BLAINE	HAYS-LODGE POLE ELEM	153	$1,054,223	$688,289	$688,289	$1,054,223	$0	-10.31	109.64%		
BLAINE	HAYS-LODGE POLE H S	72	$755,346	$386,798	$397,682	$766,230	$10,884	-5.23	83.28%		
BLAINE	LLOYD ELEM	4	$34,527	$34,527	$34,527	$34,527	$0	9.72	107.90%	*	**
BLAINE	N HARLEM COLONY ELEM	10	$37,024	$35,233	$36,665	$38,456	$1,432	-3.94	70.20%	*	
BLAINE	TURNER ELEM	66	$340,216	$337,530	$337,530	$340,216	$0	29.36	105.64%		
BLAINE	TURNER H S	32	$304,451	$304,451	$304,451	$304,451	$0	13.15	85.39%		
BLAINE	ZURICH ELEM	68	$207,188	$205,462	$205,462	$207,188	$0	16.39	80.53%	*	**
BROADWATER	BROADWATER CO HS	192	$804,056	$788,535	$811,889	$827,410	$23,354	5.71	72.13%		
BROADWATER	TOWNSEND ELEM	515	$1,375,000	$1,338,020	$1,394,282	$1,431,262	$56,262	16.24	69.44%		
CARBON	BELFRY ELEM	81	$650,000	$639,676	$639,676	$650,000	$0	43.10	169.14%	*	**
CARBON	BELFRY H S	49	$655,200	$655,200	$655,200	$655,200	$0	21.37	149.07%	*	**
CARBON	BOYD ELEM	11	$36,732	$34,890	$36,950	$38,793	$2,060	12.44	66.50%		
CARBON	BRIDGER ELEM	163	$620,131	$597,602	$597,602	$620,131	$0	17.59	86.14%	*	
CARBON	BRIDGER H S	74	$564,068	$548,002	$548,002	$564,068	$0	14.37	97.71%		
CARBON	EDGAR ELEM	19	$107,640	$107,640	$107,640	$107,640	$0	21.40	127.44%	*	**
CARBON	FROMBERG ELEM	110	$425,422	$411,333	$411,333	$425,422	$0	-0.73	81.32%		
CARBON	FROMBERG H S	60	$419,491	$416,124	$416,124	$419,491	$0	11.62	84.49%		
CARBON	JACKSON ELEM	17	$56,967	$56,967	$57,969	$57,969	$1,002	7.47	74.82%		
CARBON	JOLIET ELEM	214	$684,765	$669,284	$678,873	$694,354	$9,589	11.77	76.13%		
CARBON	JOLIET H S	128	$607,995	$597,161	$609,430	$620,264	$12,270	2.73	74.37%		
CARBON	LUTHER ELEM	22	$75,063	$73,789	$74,224	$75,497	$435	24.56	78.46%	*	
CARBON	RED LODGE ELEM	392	$1,157,663	$1,122,677	$1,146,214	$1,181,200	$23,537	8.69	74.50%		
CARBON	RED LODGE H S	177	$775,047	$751,745	$770,918	$794,220	$19,173	3.12	73.35%		
CARBON	ROBERTS ELEM	81	$322,563	$316,716	$317,294	$323,141	$578	15.34	79.72%	*	
CARBON	ROBERTS H S	43	$316,347	$315,035	$317,668	$318,980	$2,633	13.89	77.50%	*	

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
CARTER	ALBION ELEM	10	$33,448	$33,448	$35,237	$35,237	$1,789	8.46	66.50%	*	**
CARTER	ALZADA ELEM	16	$57,676	$57,676	$57,977	$57,977	$301	3.09	78.37%		
CARTER	CARTER CO H S	50	$498,500	$494,514	$494,514	$498,500	$0	-11.90	111.18%	*	
CARTER	EKALAKA ELEM	84	$454,272	$454,253	$454,253	$454,272	$0	21.23	120.91%	*	
CARTER	HAMMOND-HAWKS HOME	22	$75,200	$75,200	$75,353	$75,353	$153	26.35	79.36%	*	
CARTER	JOHNSTON ELEM	5	$23,646	$23,646	$24,596	$24,596	$950	20.09	69.29%		
CARTER	PINE HILL-PLAINVW EL	13	$44,000	$44,000	$45,358	$45,358	$1,358	6.17	71.45%	*	**
CARTER	RIDGE ELEM	4	$27,193	$27,193	$27,193	$27,193	$0	73.37	84.98%	*	
CASCADE	BELT ELEM	232	$811,470	$787,386	$787,386	$811,470	$0	15.89	83.25%		
CASCADE	BELT H S	91	$640,957	$615,786	$615,786	$640,957	$0	5.13	95.80%		
CASCADE	CASCADE ELEM	220	$700,876	$679,381	$687,203	$706,698	$7,822	0.66	77.07%		
CASCADE	CASCADE H S	125	$668,174	$646,681	$646,724	$668,217	$44	0.92	80.50%		
CASCADE	CENTERVILLE EL	243	$832,346	$795,443	$795,443	$832,346	$0	-4.45	81.31%		
CASCADE	CENTERVILLE H S	93	$517,677	$505,398	$508,888	$521,167	$3,490	-3.99	78.27%		
CASCADE	DEEP CREEK ELEM	6	$41,310	$41,310	$41,310	$41,310	$0	38.62	105.93%	*	**
CASCADE	GREAT FALLS EL	8,904	$29,651,889	$26,788,837	$26,788,837	$29,651,889	$0	-2.33	88.31%		
CASCADE	GREAT FALLS H S	3,321	$15,756,700	$14,398,964	$14,398,964	$15,756,700	$0	-9.59	95.96%		
CASCADE	SIMMS H S	149	$809,195	$787,952	$787,952	$809,195	$0	-13.20	85.55%		
CASCADE	SUN RIVER VALLEY ELM	268	$1,010,994	$971,673	$971,673	$1,010,994	$0	57.31	96.12%		
CASCADE	ULM ELEM	102	$382,388	$365,181	$365,181	$382,388	$0	32.38	89.01%		
CASCADE	VAUGHN ELEM	179	$613,972	$587,169	$587,953	$614,756	$784	-6.93	80.29%		
CHOTEAU	BIG SANDY ELEM	181	$792,742	$776,594	$776,594	$792,742	$0	18.47	102.48%	*	
CHOTEAU	BIG SANDY H S	90	$713,979	$691,843	$691,843	$713,979	$0	15.02	107.99%	*	
CHOTEAU	CARTER ELEM	7	$55,435	$55,435	$55,435	$55,435	$0	3.43	130.45%	*	**
CHOTEAU	FT BENTON ELEM	365	$1,275,450	$1,240,661	$1,240,661	$1,275,450	$0	-7.65	85.41%		
CHOTEAU	FT BENTON H S	176	$948,825	$930,645	$930,645	$948,825	$0	2.68	88.44%		
CHOTEAU	GERALDINE ELEM	118	$588,483	$576,974	$576,974	$588,483	$0	11.76	114.91%	*	**
CHOTEAU	GERALDINE H S	43	$502,850	$502,850	$502,850	$502,850	$0	9.66	122.57%	*	**
CHOTEAU	HIGHWOOD ELEM	93	$580,309	$565,458	$565,458	$580,309	$0	33.65	138.78%	*	
CHOTEAU	HIGHWOOD H S	48	$410,130	$405,264	$405,264	$410,130	$0	-0.81	93.32%	*	
CHOTEAU	KNEES ELEM	9	$54,080	$50,296	$50,296	$54,080	$0	6.66	101.51%	*	**
CHOTEAU	LOMA ELEM	10	$51,886	$51,886	$51,886	$51,886	$0	-3.19	97.91%	*	
CHOTEAU	WARRICK ELEM	5	$39,335	$39,335	$39,335	$39,335	$0	10.78	110.81%	*	**
CUSTER	COTTONWOOD EL	20	$88,420	$88,420	$88,420	$88,420	$0	72.45	100.52%	*	
CUSTER	CUSTER CO H S	627	$2,778,753	$2,643,062	$2,643,062	$2,778,753	$0	-16.04	83.95%		
CUSTER	HKT-BASIN SPR CRK EL	9	$32,189	$32,189	$33,670	$33,670	$1,481	9.52	68.03%		
CUSTER	KINSEY ELEM	43	$140,638	$137,256	$137,256	$140,638	$0	20.30	81.91%	*	
CUSTER	KIRCHER ELEM	47	$153,922	$149,629	$149,629	$153,922	$0	20.29	82.50%	*	**
CUSTER	MILES CITY ELEM	1,320	$4,297,114	$3,993,041	$3,994,427	$4,296,500	$1,386	-16.87	81.04%		
CUSTER	MOON CREEK EL	13	$32,000	$32,000	$35,758	$35,758	$3,758	6.07	56.32%		
CUSTER	S H-FOSTER CRK ELEM	6	$32,847	$32,847	$33,637	$33,637	$790	17.10	73.13%		
CUSTER	S Y ELEM	10	$26,500	$26,500	$29,679	$29,679	$3,179	15.69	56.01%		
CUSTER	TRAIL CREEK EL	11	$32,144	$32,144	$34,753	$34,753	$2,609	5.78	61.52%		
CUSTER	TWIN BUTTES EL	4	$32,022	$32,022	$32,022	$32,022	$0	32.33	100.07%	*	**
CUSTER	WHITNEY CRK EL	6	$30,000	$30,000	$30,240	$30,240	$240	37.28	77.54%	*	**
DANIELS	FLAXVILLE ELEM	39	$282,836	$277,350	$277,350	$282,836	$0	25.59	124.81%	*	**
DANIELS	FLAXVILLE H S	31	$294,925	$293,573	$293,573	$294,925	$0	4.38	83.54%	*	**
DANIELS	PEERLESS ELEM	47	$367,887	$357,022	$357,022	$367,887	$0	37.67	132.54%	*	**
DANIELS	PEERLESS H S	30	$364,495	$359,839	$359,839	$364,495	$0	6.42	103.72%	*	**
DANIELS	SCOBEY ELEM	232	$978,317	$951,117	$951,117	$978,317	$0	10.73	101.87%	*	**

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
DANIELS	SCOBEY H S	97	$787,365	$773,932	$773,932	$787,365	$0	14.68	114.71%	*	**
DAWSON	BLOOMFIELD ELEM	25	$81,120	$81,120	$81,766	$81,766	$646	11.25	77.55%	*	**
DAWSON	DAWSON CO H S	516	$2,619,850	$2,397,688	$2,397,688	$2,619,850	$0	-17.50	90.84%		
DAWSON	DEER CREEK ELEM	23	$88,868	$83,277	$83,277	$88,868	$0	3.90	85.42%	*	**
DAWSON	GLENDIVE ELEM	1,179	$3,838,614	$3,495,278	$3,509,611	$3,852,947	$14,333	-3.44	80.24%		
DAWSON	LINDSAY ELEM	16	$75,712	$75,712	$75,712	$75,712	$0	8.62	102.35%	*	**
DAWSON	RICHEY ELEM	71	$444,454	$437,716	$437,716	$444,454	$0	38.14	124.61%	*	**
DAWSON	RICHEY H S	47	$410,155	$410,155	$410,155	$410,155	$0	18.55	95.44%	*	
DEER LODGE	ANACONDA ELEM	1,096	$3,910,175	$3,567,928	$3,567,928	$3,910,175	$0	6.46	86.26%	*	
DEER LODGE	ANACONDA H S	539	$2,618,508	$2,408,394	$2,408,394	$2,618,508	$0	1.85	87.91%	*	**
FALLON	BAKER ELEM	415	$1,815,031	$1,760,944	$1,760,944	$1,815,031	$0	18.42	108.68%		
FALLON	BAKER H S	165	$1,492,474	$1,471,612	$1,471,612	$1,492,474	$0	-2.44	145.95%		
FALLON	FERTILE PRAIRIE EL	10	$40,926	$40,926	$41,220	$41,220	$293	0.00	77.79%		
FALLON	PLEVNA ELEM	94	$649,911	$625,151	$625,151	$649,911	$0	0.21	149.57%	*	
FALLON	PLEVNA H S	41	$512,415	$512,415	$512,415	$512,415	$0	4.31	127.95%	*	
FERGUS	AYERS ELEM	9	$33,280	$33,280	$34,543	$34,543	$1,263	9.50	69.79%	*	
FERGUS	COTTONWOOD ELEM	6	$28,746	$28,746	$29,236	$29,236	$490	43.19	74.97%	*	**
FERGUS	DEERFIELD ELEM	15	$54,992	$54,992	$55,270	$55,270	$278	20.49	78.42%	*	**
FERGUS	DENTON ELEM	126	$480,063	$473,425	$473,425	$480,063	$0	14.37	85.11%		
FERGUS	DENTON H S	53	$373,182	$366,663	$366,772	$373,291	$109	16.19	80.19%		
FERGUS	FERGUS H S	441	$1,855,057	$1,806,258	$1,814,989	$1,863,786	$8,731	-13.94	78.93%		
FERGUS	GRASS RANGE EL	96	$358,525	$346,949	$346,949	$358,525	$0	19.51	82.58%	*	**
FERGUS	GRASS RANGE H S	34	$369,795	$366,541	$366,541	$369,795	$0	13.25	100.08%	*	
FERGUS	KING COLONY EL	5	$31,987	$31,987	$31,987	$31,987	$0	11.71	90.11%	*	
FERGUS	LEWISTOWN ELEM	1,138	$3,516,805	$3,278,433	$3,315,605	$3,553,977	$37,172	0.71	77.79%		
FERGUS	MAIDEN ELEM	7	$37,856	$37,856	$37,856	$37,856	$0	8.24	89.08%	*	**
FERGUS	MOORE ELEM	99	$399,215	$393,566	$393,566	$399,215	$0	12.74	88.63%		
FERGUS	MOORE H S	56	$396,740	$391,091	$391,091	$396,740	$0	6.22	82.78%		
FERGUS	ROY ELEM	46	$309,173	$306,431	$306,431	$309,173	$0	11.87	141.12%	*	**
FERGUS	ROY H S	15	$373,507	$373,507	$373,507	$373,507	$0	14.23	136.59%	*	**
FERGUS	SPRING CRK COLONY EL	4	$31,987	$31,987	$31,987	$31,987	$0	73.07	99.96%		
FERGUS	WINIFRED ELEM	115	$495,988	$494,632	$494,632	$495,988	$0	24.25	98.33%	*	**
FERGUS	WINIFRED H S	42	$394,116	$392,760	$392,760	$394,116	$0	19.63	96.90%	*	**
FLATHEAD	BATAVIA ELEM	140	$558,109	$530,936	$530,936	$558,109	$0	56.50	88.45%		
FLATHEAD	BIGFORK ELEM	587	$1,774,445	$1,697,789	$1,726,930	$1,803,586	$29,141	3.68	75.75%		
FLATHEAD	BIGFORK H S	306	$1,137,382	$1,107,995	$1,154,567	$1,183,954	$46,572	0.60	69.42%		
FLATHEAD	CAYUSE PRAIRIE ELEM	257	$841,088	$802,554	$804,588	$843,122	$2,034	8.74	79.96%		
FLATHEAD	COLUMBIA FALLS ELEM	1,649	$5,165,132	$4,740,498	$4,779,294	$5,203,928	$38,796	4.81	78.93%		
FLATHEAD	COLUMBIA FALLS H S	764	$2,925,370	$2,789,187	$2,839,008	$2,975,191	$49,821	2.51	75.63%		
FLATHEAD	CRESTON ELEM	79	$260,213	$244,510	$244,510	$260,213	$0	5.14	84.05%		
FLATHEAD	DEER PARK ELEM	97	$379,244	$364,774	$364,774	$379,244	$0	57.03	86.82%		
FLATHEAD	EVERGREEN ELEM	716	$2,350,700	$2,148,460	$2,159,809	$2,362,049	$11,349	-9.81	79.63%		
FLATHEAD	FAIR-MONT-EGAN ELEM	146	$490,034	$474,931	$477,890	$492,993	$2,958	5.76	78.59%		
FLATHEAD	FLATHEAD H S	1,957	$7,613,591	$7,414,348	$7,414,348	$7,613,591	$0	-3.75	82.22%		
FLATHEAD	HELENA FLATS EL	199	$663,315	$636,533	$639,755	$666,537	$3,222	-7.09	79.11%	*	
FLATHEAD	KALISPELL ELEM	2,488	$8,298,957	$7,499,338	$7,499,338	$8,298,957	$0	5.89	83.08%		
FLATHEAD	KILA ELEM	105	$320,624	$304,964	$305,476	$321,136	$512	8.71	80.27%		
FLATHEAD	MARION ELEM	100	$397,923	$379,643	$379,643	$397,923	$0	19.02	86.57%	*	
FLATHEAD	OLNEY-BISSELL ELEM	96	$336,742	$318,730	$319,422	$337,434	$692	18.68	80.20%		
FLATHEAD	PLEASANT VALLEY ELEM	9	$33,318	$33,318	$34,573	$34,573	$1,255	5.13	69.86%		

School Finance
EX #4
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HB-667

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SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
FLATHEAD	SOMERS ELEM	356	$1,139,945	$1,102,892	$1,105,699	$1,142,752	$2,807	15.33	79.73%		
FLATHEAD	SWAN RIVER EL	132	$481,410	$463,405	$463,405	$481,410	$0	36.26	86.30%	*	
FLATHEAD	WEST GLACIER ELEM	64	$256,743	$201,996	$201,996	$256,743	$0	14.05	86.64%	*	
FLATHEAD	WEST VALLEY EL	257	$796,511	$767,426	$779,542	$808,627	$12,116	2.58	75.99%		
FLATHEAD	WHITEFISH ELEM	1,185	$3,596,742	$3,376,904	$3,427,733	$3,647,571	$50,829	11.37	76.65%		
FLATHEAD	WHITEFISH H S	529	$2,136,036	$2,055,594	$2,080,038	$2,160,480	$24,445	-3.94	77.09%		
GALLATIN	AMSTERDAM ELEM	50	$176,311	$176,311	$176,311	$176,311	$0	18.84	91.47%		
GALLATIN	ANDERSON ELEM	153	$509,125	$489,948	$490,176	$509,353	$228	3.53	80.46%		
GALLATIN	BELGRADE ELEM	1,229	$3,730,655	$3,474,842	$3,520,009	$3,775,822	$45,167	3.80	77.35%		
GALLATIN	BELGRADE H S	426	$1,616,186	$1,522,884	$1,577,049	$1,670,351	$54,165	0.75	71.52%		
GALLATIN	BOZEMAN ELEM	3,138	$9,800,463	$9,230,640	$9,230,640	$9,800,463	$0	7.10	82.69%		
GALLATIN	BOZEMAN H S	1,309	$5,793,711	$5,622,775	$5,622,775	$5,793,711	$0	-0.93	90.80%		
GALLATIN	COTTONWOOD EL	11	$34,820	$34,820	$36,894	$36,894	$2,074	4.43	65.31%		
GALLATIN	GALLATIN GTWY ELEM	126	$425,136	$414,102	$414,102	$425,136	$0	7.33	80.43%		
GALLATIN	LA MOTTE ELEM	49	$151,696	$151,696	$151,696	$151,696	$0	14.98	80.15%		
GALLATIN	MALMBORG ELEM	8	$32,482	$32,482	$33,345	$33,345	$863	13.53	72.50%		
GALLATIN	MANHATTAN ELEM	365	$1,116,178	$1,063,075	$1,088,427	$1,141,530	$25,351	2.60	74.11%		
GALLATIN	MANHATTAN H S	177	$773,283	$747,814	$767,773	$793,242	$19,959	0.37	73.11%		
GALLATIN	MONFORTON EL	208	$710,535	$682,495	$684,521	$712,561	$2,026	6.88	79.72%		
GALLATIN	OPHIR ELEM	54	$185,808	$185,808	$185,808	$185,808	$0	7.81	89.89%		
GALLATIN	PASS CREEK ELEM	17	$44,084	$44,084	$47,663	$47,663	$3,579	25.80	61.52%	*	
GALLATIN	SPRINGHILL EL	14	$52,995	$52,995	$53,113	$53,113	$118	11.67	79.29%	*	
GALLATIN	THREE FORKS EL	264	$831,534	$796,960	$807,542	$842,116	$10,582	16.72	76.77%		
GALLATIN	THREE FORKS H S	120	$595,473	$593,019	$599,924	$602,378	$6,905	1.51	76.55%		
GALLATIN	W YELLOWSTONE ELEM	143	$634,843	$601,892	$601,892	$634,843	$0	13.96	99.06%		
GALLATIN	W YELLOWSTONE H S	71	$595,572	$562,737	$582,737	$595,572	$0	9.57	106.45%		
GALLATIN	WILLOW CREEK EL	34	$156,924	$150,467	$153,085	$159,542	$2,619	15.52	75.65%		
GALLATIN	WILLOW CREEK HS	16	$207,180	$203,810	$207,582	$210,952	$3,772	15.15	74.88%		
GARFIELD	BENZIEN ELEM	8	$28,646	$28,646	$30,276	$30,276	$1,630	29.85	65.83%	*	
GARFIELD	BIG DRY CREEK ELEM	6	$32,501	$32,501	$32,501	$32,501	$0	18.12	83.34%	*	**
GARFIELD	BLACKFOOT ELEM	7	$26,780	$26,780	$28,223	$28,223	$1,443	17.33	66.41%	*	
GARFIELD	COHAGEN ELEM	25	$78,959	$78,959	$80,038	$80,038	$1,079	20.49	75.91%	*	**
GARFIELD	GARFIELD CO H S	93	$534,793	$527,236	$527,236	$534,793	$0	7.09	80.89%		
GARFIELD	JORDAN ELEM	138	$492,433	$480,463	$480,846	$492,816	$383	14.66	80.14%		
GARFIELD	KESTER ELEM	6	$39,418	$39,418	$39,418	$39,418	$0	43.95	101.08%	*	**
GARFIELD	PINE GROVE ELEM	10	$27,089	$27,089	$30,150	$30,150	$3,061	14.25	56.90%		
GARFIELD	ROSS ELEM	4	$27,750	$27,750	$27,750	$27,750	$0	100.25	86.72%		
GARFIELD	SAND SPRINGS EL	6	$28,646	$28,646	$29,156	$29,156	$510	11.30	74.77%	*	
GARFIELD	VAN NORMAN ELEM	18	$55,953	$55,953	$57,718	$57,718	$1,765	25.80	71.28%		
GLACIER	BROWNING ELEM	1,445	$10,000,000	$4,131,521	$4,163,423	$10,031,902	$31,902	6.56	89.31%	*	
GLACIER	BROWNING H S	340	$4,000,000	$1,231,785	$1,279,378	$4,047,593	$47,593	-0.60	87.89%	*	**
GLACIER	CUT BANK ELEM	733	$2,764,443	$2,220,174	$2,227,853	$2,772,122	$7,679	-2.00	82.32%	*	
GLACIER	CUT BANK H S	265	$1,875,897	$1,349,545	$1,349,545	$1,875,897	$0	-14.29	93.45%	*	
GLACIER	E GLACIER PARK ELEM	57	$354,003	$225,935	$225,935	$354,003	$0	-24.27	102.54%	*	**
GLACIER	MOUNTAIN VIEW ELEMENTA	24	$75,150	$75,150	$76,432	$76,432	$1,281	14.16	74.97%	*	
GOLDEN VALLEY	LAVINA ELEM	51	$245,039	$232,133	$232,133	$245,039	$0	29.70	91.14%		
GOLDEN VALLEY	LAVINA H S	24	$209,959	$206,194	$215,749	$219,514	$9,555	11.55	68.34%		
GOLDEN VALLEY	RYEGATE ELEM	53	$298,667	$290,298	$290,298	$298,667	$0	17.07	108.80%	*	
GOLDEN VALLEY	RYEGATE H S	25	$303,636	$303,636	$303,636	$303,636	$0	12.89	94.19%	*	
GRANITE	DRUMMOND ELEM	129	$483,324	$469,738	$469,738	$483,324	$0	17.45	83.29%	*	

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
GRANITE	DRUMMOND H S	94	$502,275	$496,982	$502,932	$508,225	$5,950	4.96	78.57%	*	
GRANITE	GRANITE H S	60	$521,306	$497,005	$497,005	$521,306	$0	5.42	84.80%		
GRANITE	HALL ELEM	29	$120,570	$120,570	$120,570	$120,570	$0	6.34	100.96%	*	**
GRANITE	PHILIPSBURG EL	195	$686,094	$654,067	$654,067	$686,094	$0	1.53	83.83%		
HILL	BLUE SKY ELEM	141	$516,924	$508,546	$508,546	$516,924	$0	16.88	88.26%		
HILL	BLUE SKY HIGH	33	$474,274	$474,274	$474,274	$474,274	$0	10.72	131.22%	*	
HILL	BOX ELDER ELEM	142	$947,853	$463,779	$465,631	$949,705	$1,852	4.39	88.31%	*	
HILL	BOX ELDER H S	51	$611,586	$355,125	$355,982	$612,443	$857	10.83	86.78%	*	**
HILL	COTTONWOOD ELEM	39	$250,000	$224,539	$224,539	$250,000	$0	-6.42	139.03%	*	**
HILL	DAVEY ELEM	5	$46,020	$43,178	$43,178	$46,020	$0	0.00	120.03%		
HILL	GILDFORD COLONY ELEM	12	$40,822	$38,791	$40,631	$42,662	$1,840	-4.63	68.79%		
HILL	HAVRE ELEM	1,840	$5,716,273	$5,396,874	$5,412,315	$5,729,714	$13,441	2.30	80.14%		
HILL	HAVRE H S	789	$2,888,128	$2,753,601	$2,828,588	$2,963,115	$74,987	6.58	73.25%	*	
HILL	K-G ELEM	83	$429,660	$421,708	$421,708	$429,660	$0	47.16	117.32%		
HILL	K-G HIGH SCHOOL	30	$413,746	$413,746	$413,746	$413,746	$0	6.32	119.31%		
HILL	ROCKY BOY ELEM	341	$1,826,585	$964,667	$982,583	$1,844,301	$17,716	2.01	84.66%	*	
HILL	ROCKY BOY H S	84	$823,975	$470,009	$473,585	$827,550	$3,575	-19.67	85.86%	*	**
JEFFERSON	BASIN ELEM	10	$62,020	$62,020	$62,020	$62,020	$0	0.00	117.04%	*	**
JEFFERSON	BOULDER ELEM	231	$861,788	$814,321	$814,321	$861,788	$0	-4.74	86.43%		
JEFFERSON	CARDWELL ELEM	51	$150,106	$144,141	$146,712	$152,677	$2,571	6.87	75.50%		
JEFFERSON	CLANCY ELEM	366	$1,218,542	$1,196,612	$1,196,612	$1,218,542	$0	9.63	82.86%		
JEFFERSON	JEFFERSON H S	235	$1,035,213	$1,001,165	$1,014,972	$1,049,020	$13,807	6.13	76.47%		
JEFFERSON	MONTANA CITY ELEM	199	$819,286	$811,441	$811,441	$819,286	$0	-10.06	100.61%		
JEFFERSON	WHITEHALL ELEM	375	$1,085,273	$1,061,603	$1,087,392	$1,111,062	$25,789	9.10	73.49%		
JEFFERSON	WHITEHALL H S	175	$761,494	$740,488	$760,372	$781,378	$19,884	8.70	72.97%		
JUDITH BASIN	GEYSER ELEM	67	$305,652	$298,708	$298,708	$305,652	$0	36.84	101.79%	*	
JUDITH BASIN	GEYSER H S	32	$285,955	$283,297	$283,686	$286,344	$389	11.59	79.71%	*	
JUDITH BASIN	HOBSON ELEM	96	$409,191	$401,391	$401,391	$409,191	$0	10.77	90.90%		
JUDITH BASIN	HOBSON H S	47	$408,883	$406,288	$406,288	$408,883	$0	21.20	94.57%		
JUDITH BASIN	RAYNESFORD ELEM	23	$83,385	$82,371	$82,371	$83,385	$0	19.66	83.84%	*	
JUDITH BASIN	STANFORD ELEM	140	$463,376	$459,186	$463,094	$467,284	$3,908	21.45	77.55%		
JUDITH BASIN	STANFORD H S	58	$412,410	$412,410	$412,410	$412,410	$0	18.87	85.32%		
LAKE	ARLEE ELEM	272	$1,142,702	$823,396	$835,252	$1,154,558	$11,856	-2.71	81.16%	*	
LAKE	ARLEE H S	145	$833,728	$496,198	$541,803	$879,333	$45,605	-8.95	70.75%	*	
LAKE	CHARLO ELEM	197	$712,401	$679,472	$679,472	$712,401	$0	32.85	85.53%		
LAKE	CHARLO H S	74	$491,401	$445,073	$445,858	$492,186	$785	5.04	81.01%		
LAKE	POLSON ELEM	1,049	$3,137,865	$2,959,889	$3,005,900	$3,183,876	$46,011	7.77	76.44%		
LAKE	POLSON H S	463	$1,688,161	$1,627,998	$1,688,834	$1,748,997	$60,836	1.57	70.66%		
LAKE	RONAN ELEM	1,077	$3,978,816	$2,408,748	$2,576,645	$4,146,714	$167,898	-8.76	73.65%	*	
LAKE	RONAN H S	382	$1,888,203	$892,689	$1,039,818	$2,035,331	$147,128	-11.10	67.15%	*	
LAKE	ST IGNATIUS ELEM	421	$1,590,357	$1,401,508	$1,401,508	$1,590,357	$0	24.08	86.88%		
LAKE	ST IGNATIUS H S	168	$1,187,746	$524,136	$581,898	$1,245,510	$57,763	-21.12	74.15%		
LAKE	SWAN LAKE-SALMON ELEM	18	$65,294	$65,294	$65,294	$65,294	$0	6.01	80.64%		
LAKE	UPPER WEST SHORE ELEM	24	$62,000	$62,000	$65,911	$65,911	$3,911	8.08	64.65%	*	
LAKE	VALLEY VIEW ELEM	20	$55,264	$55,264	$58,285	$58,285	$3,021	35.31	66.26%		
LEWIS & CLARK	AUCHARD CRK ELEM	21	$48,228	$48,228	$53,216	$53,216	$4,988	6.18	58.19%		
LEWIS & CLARK	AUGUSTA ELEM	105	$421,448	$421,448	$421,448	$421,448	$0	14.61	90.40%	*	
LEWIS & CLARK	AUGUSTA H S	34	$351,492	$333,949	$333,949	$351,492	$0	13.52	91.57%	*	**
LEWIS & CLARK	CRAIG ELEM	9	$39,707	$39,707	$39,707	$39,707	$0	-0.21	80.23%		
LEWIS & CLARK	E HELENA ELEM	1,024	$2,935,797	$2,865,066	$2,912,694	$2,983,425	$47,628	3.47	75.53%		

School Finance
EX 4.
3-31-93
HB-667

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LEWIS & CLARK	HELENA ELEM	5,110	$17,133,670	$16,144,114	$16,144,114	$17,133,670	$0	4.06	89.84%		
LEWIS & CLARK	HELENA H S	2,425	$11,354,905	$10,729,262	$10,729,262	$11,354,905	$0	-2.52	96.67%		
LEWIS & CLARK	KESSLER ELEM	289	$791,164	$768,990	$778,580	$800,754	$9,590	5.16	76.75%		
LEWIS & CLARK	LINCOLN ELEM	149	$506,251	$479,799	$481,219	$507,671	$1,421	5.65	79.94%		
LEWIS & CLARK	LINCOLN HIGH SCHOOL	46	$330,945	$330,945	$332,737	$332,737	$1,792	9.15	78.31%		
LEWIS & CLARK	TRINITY ELEM	14	$50,686	$50,686	$51,266	$51,266	$580	0.00	76.54%	*	**
LEWIS & CLARK	WOLF CREEK ELEM	13	$49,315	$49,315	$49,609	$49,609	$295	-5.95	78.14%		
LIBERTY	CHESTER ELEM	240	$809,318	$772,388	$774,560	$811,490	$2,173	14.50	79.87%	*	
LIBERTY	CHESTER H S	98	$697,978	$697,978	$697,978	$697,978	$0	3.35	102.97%		
LIBERTY	J-I ELEM	113	$686,197	$674,998	$674,998	$686,197	$0	40.72	139.18%	*	**
LIBERTY	J-I HIGH SCHOOL	42	$523,848	$519,188	$519,188	$523,848	$0	14.09	127.76%	*	**
LIBERTY	LIBERTY ELEM SCHOOL	12	$35,924	$35,924	$38,337	$38,337	$2,413	0.20	63.91%		
LIBERTY	WHITLASH ELEM	9	$36,915	$34,309	$35,366	$37,972	$1,057	0.00	72.88%		
LINCOLN	EUREKA ELEM	521	$1,724,305	$1,491,209	$1,518,057	$1,751,153	$26,848	6.53	77.32%		
LINCOLN	FORTINE ELEM	76	$234,804	$229,439	$229,439	$234,804	$0	21.28	81.30%		
LINCOLN	LIBBY ELEM	1,465	$4,977,162	$4,472,509	$4,472,509	$4,977,162	$0	-18.15	83.14%		
LINCOLN	LIBBY H S	603	$2,822,838	$2,450,379	$2,450,535	$2,822,994	$156	-19.51	82.15%		
LINCOLN	LINCOLN CO H S	289	$1,132,370	$1,064,144	$1,106,562	$1,174,788	$42,418	2.74	70.62%		
LINCOLN	MCCORMICK ELEM	17	$60,000	$60,000	$60,396	$60,396	$396	18.48	77.96%	*	
LINCOLN	SYLVANITE ELEM	14	$52,320	$51,320	$51,773	$52,773	$453	16.36	77.63%		
LINCOLN	TREGO ELEM	69	$208,056	$208,056	$208,056	$208,056	$0	15.87	80.32%	*	
LINCOLN	TROY ELEM	467	$1,605,348	$1,402,467	$1,421,404	$1,624,285	$18,937	-3.97	78.30%		
LINCOLN	TROY H S	226	$1,021,478	$941,540	$960,382	$1,040,320	$18,842	-3.96	75.68%		
LINCOLN	YAAK ELEM	18	$65,982	$65,982	$65,982	$65,982	$0	27.23	81.49%		
MADISON	ALDER ELEM	29	$80,470	$80,470	$83,483	$83,483	$3,013	14.00	69.91%		
MADISON	ENNIS ELEM	241	$860,276	$861,008	$861,008	$860,276	$0	13.00	91.66%		
MADISON	ENNIS H S	117	$670,602	$660,908	$660,908	$670,602	$0	10.70	86.02%		
MADISON	HARRISON ELEM	79	$290,000	$289,045	$290,731	$291,686	$1,686	26.99	78.24%		
MADISON	HARRISON H S	37	$285,804	$282,076	$286,616	$290,344	$4,539	15.21	75.47%		
MADISON	SHERIDAN ELEM	187	$546,432	$540,770	$556,523	$562,185	$15,753	23.54	72.07%		
MADISON	SHERIDAN H S	99	$504,643	$491,558	$502,475	$515,560	$10,916	6.06	74.10%		
MADISON	TWIN BRIDGES ELEM	159	$597,000	$575,957	$575,957	$597,000	$0	18.70	85.83%		
MADISON	TWIN BRIDGES H S	80	$545,000	$541,464	$541,464	$545,000	$0	12.90	91.76%		
MCCONE	CIRCLE ELEM	229	$833,464	$789,423	$789,423	$833,464	$0	11.59	83.32%		
MCCONE	CIRCLE H S	138	$726,408	$705,718	$705,718	$726,408	$0	3.34	81.42%		
MCCONE	PRAIRIE ELK ELEM	6	$29,120	$29,120	$29,536	$29,536	$416	9.89	75.74%	*	**
MCCONE	SOUTHVIEW ELEM	11	$36,260	$36,260	$38,046	$38,046	$1,786	3.87	67.35%	*	
MCCONE	VIDA ELEM	19	$85,292	$85,292	$85,292	$85,292	$0	6.35	100.98%	*	
MEAGHER	LENNEP ELEM	12	$32,666	$32,666	$35,731	$35,731	$3,065	2.16	59.56%		
MEAGHER	RINGLING ELEM	5	$37,317	$37,317	$37,317	$37,317	$0	3.38	105.12%	*	
MEAGHER	WHT SULPHUR SPGS ELEM	183	$755,144	$741,779	$741,779	$755,144	$0	12.89	98.99%		
MEAGHER	WHT SULPHUR SPGS HS	103	$602,576	$596,373	$596,373	$602,576	$0	11.28	85.08%		
MINERAL	ALBERTON ELEM	164	$590,596	$590,596	$590,596	$590,596	$0	-9.68	84.31%	*	
MINERAL	ALBERTON H S	59	$446,918	$446,918	$446,918	$446,918	$0	5.22	91.54%	*	
MINERAL	ST REGIS ELEM	153	$577,506	$539,703	$539,703	$577,506	$0	-11.14	84.25%		
MINERAL	ST REGIS H S	56	$454,766	$437,098	$437,098	$454,766	$0	-5.31	92.56%		
MINERAL	SUPERIOR ELEM	304	$1,102,642	$1,049,461	$1,049,461	$1,102,642	$0	-14.80	87.62%	*	
MINERAL	SUPERIOR H S	130	$653,396	$653,396	$655,966	$655,966	$2,570	-11.19	78.77%	*	
MISSOULA	BONNER ELEM	423	$1,462,873	$1,377,409	$1,377,409	$1,462,873	$0	-6.14	84.11%		
MISSOULA	CLINTON ELEM	236	$827,999	$785,373	$785,373	$827,999	$0	-8.35	82.45%		

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MISSOULA	DESMET SCHOOL	104	$425,041	$410,428	$410,428	$425,041	$0	31.97	91.38%		
MISSOULA	FRENCHTOWN ELEM	624	$1,946,347	$1,880,221	$1,890,696	$1,956,822	$10,475	16.85	78.84%		
MISSOULA	FRENCHTOWN H S	266	$1,406,094	$1,395,793	$1,395,793	$1,406,094	$0	2.29	93.99%		
MISSOULA	HELLGATE ELEM	920	$2,741,449	$2,577,794	$2,617,353	$2,781,008	$39,559	1.68	76.55%		
MISSOULA	LOLO ELEM	625	$2,003,765	$1,940,229	$1,940,229	$2,003,765	$0	-3.82	81.45%		
MISSOULA	MISSOULA ELEM	5,819	$19,595,900	$18,299,085	$18,299,085	$19,595,900	$0	10.21	90.87%		
MISSOULA	MISSOULA H S	3,360	$15,368,799	$14,417,416	$14,417,416	$15,368,799	$0	0.77	94.95%		
MISSOULA	POTOMAC ELEM	107	$421,910	$421,910	$421,910	$421,910	$0	52.75	88.75%		
MISSOULA	SEELEY LAKE ELEM	214	$666,897	$666,897	$673,354	$673,354	$6,457	3.44	77.04%		
MISSOULA	SUNSET ELEM	11	$44,882	$39,999	$41,037	$45,920	$1,038	0.74	74.82%		
MISSOULA	SWAN VALLEY ELEM	70	$325,923	$325,923	$325,923	$325,923	$0	87.10	106.29%	*	
MISSOULA	TARGET RANGE ELEM	507	$1,540,853	$1,451,119	$1,481,060	$1,570,794	$29,941	3.19	75.13%		
MISSOULA	WOODMAN ELEM	67	$320,795	$320,795	$320,795	$320,795	$0	89.69	103.55%	*	**
MUSSELSHELL	MELSTONE ELEM	65	$322,590	$310,655	$310,655	$322,590	$0	68.62	99.46%		
MUSSELSHELL	MELSTONE H S	51	$387,957	$387,957	$387,957	$387,957	$0	56.10	86.35%		
MUSSELSHELL	MUSSELSHELL ELEM	20	$96,709	$94,317	$94,317	$96,709	$0	11.16	107.03%	*	
MUSSELSHELL	ROUNDUP ELEM	474	$1,469,267	$1,381,728	$1,406,245	$1,493,784	$24,517	1.14	75.91%		
MUSSELSHELL	ROUNDUP H S	195	$864,133	$812,414	$833,298	$885,017	$20,884	-2.61	73.89%		
PARK	ARROWHEAD ELEM	53	$163,792	$163,792	$163,792	$163,792	$0	19.94	80.60%		
PARK	COOKE CITY ELEM	7	$32,034	$32,034	$32,427	$32,427	$393	21.40	76.31%	*	
PARK	GARDINER ELEM	167	$699,620	$545,510	$550,021	$704,131	$4,511	12.99	81.48%	*	
PARK	GARDINER H S	74	$650,827	$441,917	$443,334	$652,244	$1,417	13.17	84.69%	*	**
PARK	LIVINGSTON ELEM	1,059	$3,530,717	$3,273,989	$3,273,989	$3,530,717	$0	-7.64	81.84%		
PARK	PARK H S	463	$2,092,365	$1,947,279	$1,947,279	$2,092,365	$0	-7.90	81.72%		
PARK	PINE CREEK ELEM	22	$62,745	$62,745	$65,389	$65,389	$2,644	29.87	68.86%		
PARK	RICHLAND ELEM	11	$48,592	$48,592	$48,592	$48,592	$0	7.03	86.02%	*	**
PARK	SPRINGDALE ELEM	10	$35,465	$35,465	$36,851	$36,851	$1,386	2.39	69.54%		
PARK	SHIELDS VALLEY HIGH SCH	93	$600,921	$587,597	$587,597	$600,921	$0	12.03	90.11%	*	
PARK	SHIELDS VLY ELEM SCH DIS	199	$721,620	$695,327	$695,327	$721,620	$0	41.55	87.38%	*	
PETROLEUM	WINNETT ELEM	70	$359,020	$356,851	$356,851	$359,020	$0	18.67	107.87%	*	
PETROLEUM	WINNETT H S	38	$372,628	$362,030	$362,030	$372,628	$0	27.46	93.99%	*	**
PHILLIPS	DODSON ELEM	89	$484,938	$422,733	$422,733	$484,938	$0	19.20	102.34%	*	**
PHILLIPS	DODSON H S	50	$483,336	$483,336	$483,336	$483,336	$0	25.41	108.76%	*	
PHILLIPS	LANDUSKY ELEM	8	$33,315	$33,315	$34,011	$34,011	$696	3.29	73.95%		
PHILLIPS	MALTA ELEM	463	$1,607,805	$1,558,869	$1,558,869	$1,607,805	$0	9.84	86.69%		
PHILLIPS	MALTA H S	222	$1,049,894	$1,018,831	$1,019,150	$1,050,213	$319	4.75	80.38%		
PHILLIPS	SACO ELEM	91	$551,185	$531,826	$531,826	$551,185	$0	20.11	130.22%		
PHILLIPS	SACO H S	37	$537,638	$537,638	$537,638	$537,638	$0	28.59	141.12%		
PHILLIPS	SECOND CRK ELEM	7	$35,864	$33,224	$33,379	$36,019	$155	13.50	79.80%		
PHILLIPS	WHITEWATER ELEM	56	$446,224	$441,964	$441,964	$446,224	$0	-1.73	157.60%		
PHILLIPS	WHITEWATER H S	38	$415,489	$411,230	$411,230	$415,489	$0	-6.53	106.51%		
PONDERA	BRADY ELEM	61	$385,937	$375,078	$375,078	$385,937	$0	24.97	115.50%	*	
PONDERA	BRADY H S	37	$280,433	$280,433	$285,301	$285,301	$4,868	17.91	74.89%		
PONDERA	CONRAD ELEM	560	$1,983,000	$1,871,713	$1,871,713	$1,983,000	$0	-0.41	86.63%	*	
PONDERA	CONRAD H S	227	$1,222,314	$1,182,836	$1,182,836	$1,222,314	$0	0.56	91.29%	*	
PONDERA	DUPUYER ELEM	31	$101,230	$99,037	$99,455	$101,648	$418	1.68	79.04%		
PONDERA	HEART BUTTE	56	$690,096	$380,994	$380,994	$690,096	$0	7.46	88.17%	*	**
PONDERA	HEART BUTTE ELEM	177	$1,074,773	$311,845	$363,925	$1,126,854	$52,081	-28.93	76.23%	*	
PONDERA	MIAMI ELEM	22	$74,636	$73,550	$74,032	$75,118	$483	24.45	78.22%	*	**
PONDERA	VALIER ELEM	204	$668,576	$642,045	$642,721	$669,252	$676	8.17	80.31%		

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PONDERA	VALIER H S	75	$495,725	$495,725	$495,725	$495,725	$0	10.79	87.57%		
POWDER RIVER	BELLE CREEK EL	12	$122,000	$122,000	$122,000	$122,000	$0	0.00	203.38%	*	**
POWDER RIVER	BIDDLE ELEM	26	$75,003	$75,003	$77,432	$77,432	$2,429	23.96	71.08%	*	
POWDER RIVER	BILLUP ELEM	6	$33,280	$33,280	$33,280	$33,280	$0	35.49	85.34%	*	
POWDER RIVER	BROADUS ELEM	196	$915,098	$874,207	$874,207	$915,098	$0	4.74	105.44%		
POWDER RIVER	HORKAN CRK ELEM	7	$30,160	$30,160	$30,927	$30,927	$767	34.61	72.78%	*	
POWDER RIVER	POWDER RVR CO DIST HS	133	$1,075,326	$1,060,524	$1,060,524	$1,075,326	$0	8.58	124.73%	*	
POWDER RIVER	SO STACEY ELEM	6	$32,263	$32,263	$32,263	$32,263	$0	41.93	82.73%	*	**
POWELL	AVON ELEM	38	$88,054	$88,054	$94,581	$94,581	$6,527	3.70	62.69%	*	
POWELL	DEER LODGE ELEM	651	$2,386,768	$2,198,045	$2,198,045	$2,386,768	$0	-21.49	88.41%		
POWELL	ELLISTON ELEM	24	$76,542	$76,542	$77,545	$77,545	$1,003	13.08	76.07%		
POWELL	GARRISON ELEM	15	$54,841	$54,404	$54,800	$55,237	$396	0.00	77.89%		
POWELL	GOLD CREEK ELEM	11	$43,590	$35,829	$37,701	$45,462	$1,872	0.00	70.76%	*	**
POWELL	HELMVILLE ELEM	21	$72,644	$72,644	$72,748	$72,748	$104	19.67	79.54%		
POWELL	OVANDO ELEM	22	$74,669	$74,669	$74,928	$74,928	$259	26.86	78.91%	*	
POWELL	POWELL CO H S	298	$1,455,088	$1,402,774	$1,402,774	$1,455,088	$0	-11.91	86.08%		
PRAIRIE	TERRY ELEM	163	$659,350	$650,271	$650,271	$659,350	$0	25.66	94.69%	*	**
PRAIRIE	TERRY H S	90	$561,568	$554,514	$554,514	$561,568	$0	12.10	86.92%	*	**
RAVALLI	CORVALLIS ELEM	669	$2,190,578	$2,036,848	$2,050,046	$2,203,776	$13,199	4.23	79.21%		
RAVALLI	CORVALLIS H S	288	$1,098,390	$1,062,368	$1,104,380	$1,140,402	$42,012	3.36	70.11%		
RAVALLI	DARBY ELEM	382	$1,231,124	$1,132,009	$1,152,271	$1,251,386	$20,262	-0.29	76.27%		
RAVALLI	DARBY H S	165	$733,465	$713,759	$731,285	$750,991	$17,526	6.03	73.52%		
RAVALLI	FLORENCE-CARLTON ELEM	488	$1,444,576	$1,444,576	$1,459,691	$1,459,691	$15,115	9.08	76.82%		
RAVALLI	FLORENCE-CARLTON HS	172	$834,116	$756,005	$770,476	$848,587	$14,471	1.98	76.20%		
RAVALLI	HAMILTON ELEM	699	$2,690,097	$2,575,851	$2,615,935	$2,730,181	$40,084	-6.15	76.16%		
RAVALLI	HAMILTON H S	430	$1,588,964	$1,522,821	$1,579,998	$1,646,141	$57,177	-8.08	70.74%		
RAVALLI	LONE ROCK ELEM	163	$507,457	$475,186	$475,186	$507,457	$0	10.88	82.10%		
RAVALLI	STEVENSVILLE EL	790	$2,338,408	$2,255,473	$2,298,622	$2,381,557	$43,149	6.14	75.06%		
RAVALLI	STEVENSVILLE HS	371	$1,435,482	$1,351,586	$1,398,642	$1,482,536	$47,056	1.98	71.71%		
RAVALLI	VICTOR ELEM	191	$610,039	$593,900	$599,972	$616,111	$6,072	3.49	77.36%		
RAVALLI	VICTOR H S	81	$476,836	$461,822	$464,702	$479,716	$2,880	14.81	78.60%		
RICHLAND	BRORSON ELEM	11	$75,420	$75,420	$75,420	$75,420	$0	0.00	133.51%	*	**
RICHLAND	FAIRVIEW ELEM	199	$914,987	$895,239	$895,239	$914,987	$0	11.82	106.55%		
RICHLAND	FAIRVIEW H S	156	$1,100,582	$1,082,664	$1,082,664	$1,100,582	$0	7.97	112.73%		
RICHLAND	LAMBERT ELEM	83	$540,205	$536,637	$536,637	$540,205	$0	25.55	142.22%	*	**
RICHLAND	LAMBERT H S	40	$480,152	$478,962	$478,962	$480,152	$0	26.52	121.01%	*	**
RICHLAND	RAU ELEM	67	$230,576	$230,576	$230,576	$230,576	$0	23.65	91.46%	*	
RICHLAND	SAVAGE ELEM	131	$436,948	$431,646	$434,749	$440,051	$3,103	22.43	77.99%		
RICHLAND	SAVAGE H S	34	$384,567	$384,567	$384,567	$384,567	$0	27.30	104.98%	*	
RICHLAND	SIDNEY ELEM	1,110	$3,923,730	$3,746,254	$3,746,254	$3,923,730	$0	11.18	88.86%		
RICHLAND	SIDNEY H S	538	$2,343,614	$2,276,276	$2,276,276	$2,343,614	$0	-7.51	82.77%	*	
ROOSEVELT	BAINVILLE ELEM	77	$533,804	$528,802	$528,802	$533,804	$0	3.78	146.81%	*	**
ROOSEVELT	BAINVILLE H S	31	$487,215	$484,738	$484,738	$487,215	$0	3.05	137.58%	*	**
ROOSEVELT	BROCKTON ELEM	90	$656,301	$319,456	$319,456	$656,301	$0	4.48	89.38%		
ROOSEVELT	BROCKTON H S	47	$626,594	$338,029	$339,185	$627,750	$1,156	5.86	87.39%		
ROOSEVELT	CULBERTSON ELEM	233	$909,404	$817,912	$817,912	$909,404	$0	-3.83	88.47%		
ROOSEVELT	CULBERTSON H S	90	$591,064	$569,990	$569,990	$591,064	$0	0.70	89.55%		
ROOSEVELT	FROID ELEM	78	$420,788	$420,788	$420,788	$420,788	$0	28.06	118.86%	*	
ROOSEVELT	FROID H S	41	$373,855	$366,664	$366,664	$373,855	$0	18.02	91.70%	*	
ROOSEVELT	FRONTIER ELEM	124	$581,316	$558,515	$558,515	$581,316	$0	35.48	106.03%	*	

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ROOSEVELT	POPLAR ELEM	644	$3,952,000	$3,762,881	$3,762,881	$3,952,000	$0	28.86	151.14%	*	**
ROOSEVELT	POPLAR H S	179	$2,400,000	$2,328,122	$2,328,122	$2,400,000	$0	-2.65	210.34%	*	**
ROOSEVELT	WOLF POINT ELEM	700	$2,741,798	$1,966,831	$1,997,833	$2,772,800	$31,002	12.77	80.90%	*	
ROOSEVELT	WOLF POINT H S	310	$1,571,999	$1,523,932	$1,523,932	$1,571,999	$0	6.26	90.18%	*	**
ROSEBUD	ASHLAND ELEM	101	$475,500	$317,780	$325,844	$483,564	$8,064	-4.68	79.88%		
ROSEBUD	BIRNEY ELEM	16	$66,000	$66,000	$66,000	$66,000	$0	20.05	89.22%		
ROSEBUD	COLSTRIP ELEM	916	$4,796,868	$4,641,099	$4,641,099	$4,796,868	$0	2.10	129.69%		
ROSEBUD	COLSTRIP H S	450	$3,164,049	$3,111,912	$3,111,912	$3,164,049	$0	0.61	131.47%		
ROSEBUD	FORSYTH ELEM	443	$1,620,434	$1,503,614	$1,503,614	$1,620,434	$0	-1.92	86.05%		
ROSEBUD	FORSYTH H S	233	$984,610	$953,603	$975,392	$1,006,399	$21,789	6.47	74.04%		
ROSEBUD	LAME DEER ELEM	325	$2,132,558	$1,015,793	$1,015,793	$2,132,558	$0	1.27	90.74%		
ROSEBUD	ROCK SPRING ELEM	4	$32,055	$32,055	$32,055	$32,055	$0	10.72	100.18%		
ROSEBUD	ROSEBUD ELEM	83	$364,442	$353,797	$353,797	$364,442	$0	24.25	95.07%		
ROSEBUD	ROSEBUD H S	28	$300,887	$300,687	$300,887	$300,887	$0	6.14	89.28%		
SANDERS	CAMAS PRAIRIE ELEM	7	$48,852	$32,522	$32,817	$49,147	$295	7.23	83.55%	*	**
SANDERS	DIXON ELEM	47	$347,000	$160,808	$160,808	$347,000	$0	-29.19	94.17%	*	**
SANDERS	HOT SPRINGS ELEM	146	$527,730	$503,866	$504,430	$528,294	$564	-0.92	80.38%	*	
SANDERS	HOT SPRINGS H S	73	$461,138	$439,013	$440,232	$462,357	$1,219	10.13	79.92%	*	
SANDERS	NOXON ELEM	176	$680,936	$665,420	$665,420	$680,936	$0	17.43	89.97%		
SANDERS	NOXON H S	108	$521,218	$514,998	$528,208	$534,428	$13,210	7.10	72.96%		
SANDERS	PARADISE ELEM	48	$157,445	$157,445	$157,445	$157,445	$0	6.70	84.75%		
SANDERS	PLAINS ELEM	304	$1,002,224	$941,963	$951,222	$1,011,483	$9,259	-2.59	78.07%		
SANDERS	PLAINS H S	165	$810,522	$794,656	$796,002	$811,868	$1,346	-8.70	79.78%		
SANDERS	THOMPSON FALLS ELEM	385	$1,209,208	$1,172,870	$1,183,543	$1,219,881	$10,673	-0.37	77.74%		
SANDERS	THOMPSON FALLS H S	194	$833,886	$813,171	$833,135	$853,850	$19,964	-0.11	73.48%		
SANDERS	TROUT CRK ELEM	90	$396,558	$396,558	$396,558	$396,558	$0	15.40	119.37%	*	**
SHERIDAN	HIAWATHA ELEM	16	$124,925	$124,925	$124,925	$124,925	$0	0.00	168.87%	*	**
SHERIDAN	MEDICINE LK EL	164	$820,744	$803,761	$803,761	$820,744	$0	37.90	114.39%	*	**
SHERIDAN	MEDICINE LK H S	80	$634,613	$628,235	$628,235	$634,613	$0	6.95	106.34%	*	
SHERIDAN	OUTLOOK ELEM	53	$382,324	$374,371	$374,371	$382,324	$0	23.87	132.47%	*	**
SHERIDAN	OUTLOOK H S	24	$325,883	$325,883	$325,883	$325,883	$0	9.85	102.65%	*	
SHERIDAN	PLENTYWOOD ELEM	361	$1,202,083	$1,158,040	$1,158,040	$1,202,083	$0	-1.90	81.44%		
SHERIDAN	PLENTYWOOD H S	162	$1,020,518	$1,000,586	$1,000,586	$1,020,518	$0	-4.15	101.32%		
SHERIDAN	WESTBY ELEM	76	$667,322	$628,305	$628,305	$667,322	$0	-15.95	170.71%	*	**
SHERIDAN	WESTBY H S	35	$634,459	$628,760	$628,760	$634,459	$0	-14.22	168.34%	*	
SILVER BOW	BUTTE ELEM	3,686	$15,048,630	$13,967,776	$13,967,776	$15,048,630	$0	8.14	105.71%		
SILVER BOW	BUTTE H S	1,458	$8,225,248	$7,611,602	$7,611,602	$8,225,248	$0	0.31	109.98%	*	
SILVER BOW	DIVIDE ELEM	13	$50,094	$50,094	$50,233	$50,233	$139	4.12	79.13%		
SILVER BOW	MELROSE ELEM	21	$80,757	$80,757	$80,757	$80,757	$0	10.00	88.30%	*	
SILVER BOW	RAMSAY ELEM	136	$508,012	$488,529	$488,529	$508,012	$0	13.24	84.57%		
STILLWATER	ABSAROKEE ELEM	261	$935,108	$912,740	$912,740	$935,108	$0	20.52	86.16%		
STILLWATER	ABSAROKEE H S	132	$626,892	$605,482	$619,182	$640,592	$13,700	5.12	74.15%		
STILLWATER	COLUMBUS ELEM	398	$1,253,165	$1,179,037	$1,192,401	$1,266,529	$13,364	-3.38	77.63%		
STILLWATER	COLUMBUS H S	143	$711,168	$669,396	$678,817	$720,589	$9,421	0.21	76.87%		
STILLWATER	FISHTAIL ELEM	35	$92,566	$92,566	$96,513	$96,513	$3,948	3.55	68.75%		
STILLWATER	MOLT ELEM	10	$67,881	$67,881	$67,881	$67,881	$0	-2.57	128.10%	*	**
STILLWATER	NYE ELEM	4	$32,062	$32,062	$32,062	$32,062	$0	36.51	100.20%		
STILLWATER	PARK CITY ELEM	231	$737,207	$706,343	$718,259	$747,123	$9,916	15.78	76.53%	*	
STILLWATER	PARK CITY H S	118	$567,484	$551,481	$565,145	$581,148	$13,664	5.67	73.49%	*	
STILLWATER	RAPELJE ELEM	46	$367,441	$359,552	$359,552	$367,441	$0	15.85	149.57%	*	**

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STILLWATER	RAPELJE H S	27	$305,397	$297,514	$297,514	$305,397	$0	5.20	89.82%	*	**
STILLWATER	REEDPOINT ELEM	37	$290,698	$261,265	$261,265	$290,698	$0	43.48	121.11%		
STILLWATER	REEDPOINT H S	21	$210,163	$204,602	$212,129	$217,690	$7,527	16.58	70.60%		
SWEET GRASS	BIG TIMBER ELEM	321	$1,034,403	$991,776	$1,000,060	$1,042,687	$8,284	-0.74	78.16%		
SWEET GRASS	BRIDGE ELEM	8	$28,468	$28,468	$30,134	$30,134	$1,666	7.68	65.52%		
SWEET GRASS	GREYCLIFF ELEM	25	$79,413	$79,413	$80,401	$80,401	$988	15.35	76.25%	*	**
SWEET GRASS	MCLEOD ELEM	7	$43,675	$43,675	$43,675	$43,675	$0	9.09	102.77%	*	**
SWEET GRASS	MELVILLE ELEM	24	$81,940	$81,940	$81,940	$81,940	$0	14.24	80.38%		
SWEET GRASS	SWEET GRASS CO HS	199	$960,051	$943,162	$943,162	$960,051	$0	-7.30	81.21%		
TETON	BYNUM ELEM	35	$94,342	$94,342	$97,934	$97,934	$3,593	1.88	69.76%	*	
TETON	CHOTEAU ELEM	317	$1,043,105	$1,000,003	$1,001,665	$1,044,767	$1,662	-5.08	80.15%		
TETON	CHOTEAU H S	158	$984,883	$972,223	$972,223	$984,883	$0	-0.45	100.43%		
TETON	DUTTON ELEM	107	$451,317	$437,625	$437,625	$451,317	$0	17.49	96.57%		
TETON	DUTTON H S	44	$440,690	$435,730	$435,730	$440,690	$0	9.21	104.90%		
TETON	FAIRFIELD ELEM	212	$773,865	$720,101	$720,101	$773,865	$0	1.84	82.39%	*	**
TETON	FAIRFIELD H S	140	$691,307	$665,171	$673,118	$699,254	$7,947	-1.92	77.07%	*	
TETON	GOLDEN RIDGE ELEM	30	$83,951	$81,514	$84,877	$87,314	$3,363	5.98	69.66%	*	
TETON	GREENFIELD ELEM	68	$263,465	$261,411	$261,411	$263,465	$0	21.30	80.56%	*	**
TETON	PENDROY ELEM	12	$47,904	$47,904	$47,921	$47,921	$17	-1.07	79.89%		
TETON	POWER ELEM	116	$419,990	$410,320	$410,320	$419,990	$0	-1.93	81.42%		
TETON	POWER H S	49	$346,400	$345,342	$346,596	$347,654	$1,253	-0.29	78.91%		
TOOLE	GALATA ELEM	16	$114,400	$114,400	$114,400	$114,400	$0	0.00	154.64%	*	**
TOOLE	SHELBY ELEM	528	$1,894,540	$1,824,123	$1,824,123	$1,894,540	$0	-4.85	88.40%		
TOOLE	SHELBY H S	206	$1,283,060	$1,257,256	$1,257,256	$1,283,060	$0	4.06	104.77%	*	
TOOLE	SUNBURST ELEM	226	$849,091	$816,186	$816,186	$849,091	$0	9.48	88.29%	*	
TOOLE	SUNBURST H S	96	$800,021	$790,758	$790,758	$800,021	$0	16.24	118.10%	*	
TREASURE	HYSHAM ELEM	130	$478,727	$468,158	$468,158	$478,727	$0	15.56	85.37%		
TREASURE	HYSHAM H S	50	$474,503	$463,986	$463,986	$474,503	$0	15.81	104.31%		
VALLEY	FRAZER ELEM	104	$832,240	$349,783	$350,900	$833,357	$1,117	1.12	89.93%	*	
VALLEY	FRAZER H S	35	$651,679	$268,263	$274,003	$657,419	$5,740	16.79	87.12%	*	**
VALLEY	FT PECK ELEM	17	$255,250	$255,250	$255,250	$255,250	$0	124.17	329.47%	*	**
VALLEY	GLASGOW ELEM	712	$2,951,458	$2,875,735	$2,875,735	$2,951,458	$0	6.41	105.21%		
VALLEY	GLASGOW H S	285	$1,752,000	$1,714,145	$1,714,145	$1,752,000	$0	-4.51	108.54%		
VALLEY	HINSDALE ELEM	68	$387,392	$378,885	$378,885	$387,392	$0	15.14	116.17%	*	
VALLEY	HINSDALE H S	31	$434,979	$433,662	$433,662	$434,979	$0	10.80	123.23%	*	
VALLEY	LUSTRE ELEM	59	$280,597	$271,473	$271,473	$280,597	$0	3.15	120.28%	*	
VALLEY	NASHUA ELEM	134	$523,963	$489,685	$489,685	$523,963	$0	-6.48	84.60%		
VALLEY	NASHUA H S	67	$495,969	$466,854	$466,854	$495,969	$0	7.46	89.15%		
VALLEY	OPHEIM ELEM	85	$537,258	$520,481	$520,481	$537,258	$0	17.41	127.83%	*	**
VALLEY	OPHEIM H S	47	$515,861	$515,861	$515,861	$515,861	$0	12.46	120.03%	*	**
WHEATLAND	HARLOWTON ELEM	202	$691,305	$659,284	$663,214	$695,235	$3,930	4.32	78.94%		
WHEATLAND	HARLOWTON H S	109	$648,456	$640,027	$640,027	$648,456	$0	4.42	87.68%		
WHEATLAND	JUDITH GAP ELEM	92	$324,434	$322,768	$324,410	$326,076	$1,642	12.26	78.50%		
WHEATLAND	JUDITH GAP H S	30	$260,478	$258,812	$262,534	$264,200	$3,723	-3.83	75.82%		
WHEATLAND	SHAWMUT ELEM	11	$40,312	$40,312	$41,288	$41,288	$976	0.00	73.09%	*	**
WHEATLAND	TWO DOT ELEM	8	$45,017	$45,017	$45,017	$45,017	$0	1.58	97.88%	*	
WIBAUX	WIBAUX ELEM	161	$895,448	$860,293	$860,293	$895,448	$0	14.02	124.62%	*	**
WIBAUX	WIBAUX H S	77	$659,663	$659,663	$659,663	$659,663	$0	13.49	114.56%	*	**
YELLOWSTONE	BILLINGS ELEM	10,251	$33,812,312	$30,507,396	$30,507,396	$33,812,312	$0	14.13	87.50%		
YELLOWSTONE	BILLINGS H S	4,613	$17,698,841	$16,340,774	$16,392,211	$17,750,278	$51,437	1.85	80.30%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
YELLOWSTONE	BLUE CREEK ELEM	98	$290,433	$290,433	$290,433	$290,433	$0	19.15	80.66%	*	
YELLOWSTONE	BROADVIEW ELEM	71	$513,000	$496,360	$496,360	$513,000	$0	5.12	143.26%	*	**
YELLOWSTONE	BROADVIEW H S	41	$508,000	$493,657	$493,657	$508,000	$0	8.62	122.46%	*	**
YELLOWSTONE	CANYON CRK ELEM	210	$675,381	$652,146	$659,461	$682,696	$7,315	2.96	77.22%		
YELLOWSTONE	CUSTER ELEM	70	$408,840	$402,805	$402,805	$408,840	$0	15.56	124.39%	*	**
YELLOWSTONE	CUSTER H S	32	$421,800	$421,800	$421,800	$421,800	$0	14.64	118.30%	*	**
YELLOWSTONE	ELDER GROVE ELEM	191	$597,375	$594,911	$601,914	$604,378	$7,003	5.58	76.52%		
YELLOWSTONE	ELYSIAN ELEM	96	$294,684	$288,200	$288,200	$294,684	$0	11.16	81.95%		
YELLOWSTONE	HUNTLEY PROJ ELEM	479	$1,508,287	$1,442,402	$1,453,429	$1,519,314	$11,027	7.62	78.40%		
YELLOWSTONE	HUNTLEY PROJ HS	184	$901,503	$882,984	$882,984	$901,503	$0	-3.37	81.09%	*	
YELLOWSTONE	INDEPENDENT ELEM	164	$453,717	$453,717	$457,266	$457,266	$3,549	13.43	77.59%	*	
YELLOWSTONE	LAUREL ELEM	1,279	$4,144,375	$3,930,256	$3,930,256	$4,144,375	$0	-4.85	81.20%		
YELLOWSTONE	LAUREL H S	570	$2,009,140	$1,963,510	$2,036,715	$2,082,345	$73,205	3.04	70.41%		
YELLOWSTONE	LOCKWOOD ELEM	1,152	$3,545,309	$3,330,165	$3,357,925	$3,573,069	$27,760	4.85	78.51%		
YELLOWSTONE	MORIN ELEM	32	$151,335	$107,619	$107,619	$151,335	$0	0.52	87.17%	*	**
YELLOWSTONE	PIONEER ELEM	73	$218,000	$218,000	$218,076	$218,076	$76	16.00	79.89%	*	
YELLOWSTONE	SHEPHERD ELEM	510	$1,334,855	$1,294,805	$1,360,715	$1,400,565	$65,910	9.69	67.65%		
YELLOWSTONE	SHEPHERD H S	222	$1,058,765	$1,022,019	$1,022,019	$1,058,765	$0	-18.13	80.68%		
TOTALS		151,124	$612,288,982	$554,984,866	$557,900,095	$615,204,211	$2,915,229		87.68%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE -- BASE			40.00%
GUARANTEE PERCENTAGE -- BASE			40.00%
UNSUBSIDIZED PERCENTAGE -- BASE			20.00%
STATE SUPPORT PERCENTAGE -- PER STUDENT			40.00%
GUARANTEE PERCENTAGE -- PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE -- PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,964,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,833,736		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	299	24	31
HS	0	0	132	27	5
TOTAL SCHOOLS	0	0	431	51	36
ELEM ANB	0	0	103,611	2,220	2,679
HS ANB	0	0	35,035	6,554	1,025
TOTAL ANB	0	0	136,646	8,774	3,704

Senate Committee on Education
Finance
EX #4 3-31-93
HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
USTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$16,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE -- BASE			40.00%
GUARANTEE PERCENTAGE -- BASE			40.00%
UNSUBSIDIZED PERCENTAGE -- BASE			20.00%
STATE SUPPORT PERCENTAGE -- PER STUDENT			40.00%
GUARANTEE PERCENTAGE -- PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE -- PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,984,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$363,833,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
	MILLS DOWN		MILLS UP		
NUMBER OF SCHOOLS/ANB	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10 LESS THAN 20	MORE THAN 20
ELEM	11	57	110	97	79
HS	14	31	70	41	8
TOTAL SCHOOLS	25	88	180	138	87
ELEM ANB	4,602	24,785	44,332	28,706	6,083
HS ANB	3,970	14,706	21,363	2,229	346
TOTAL ANB	8,572	39,491	65,695	30,937	6,429

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
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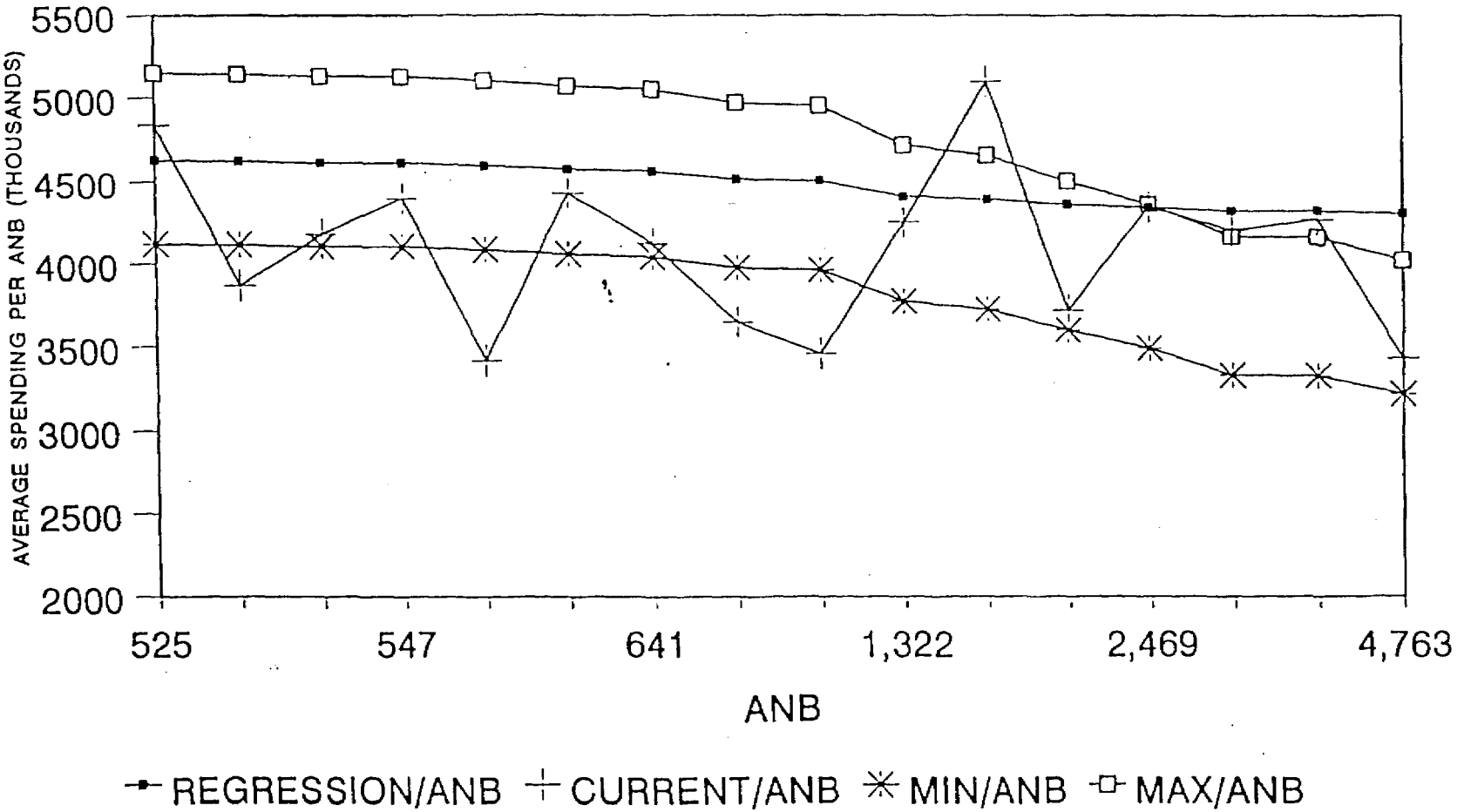
		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$16,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,964,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,833,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	69.31%		

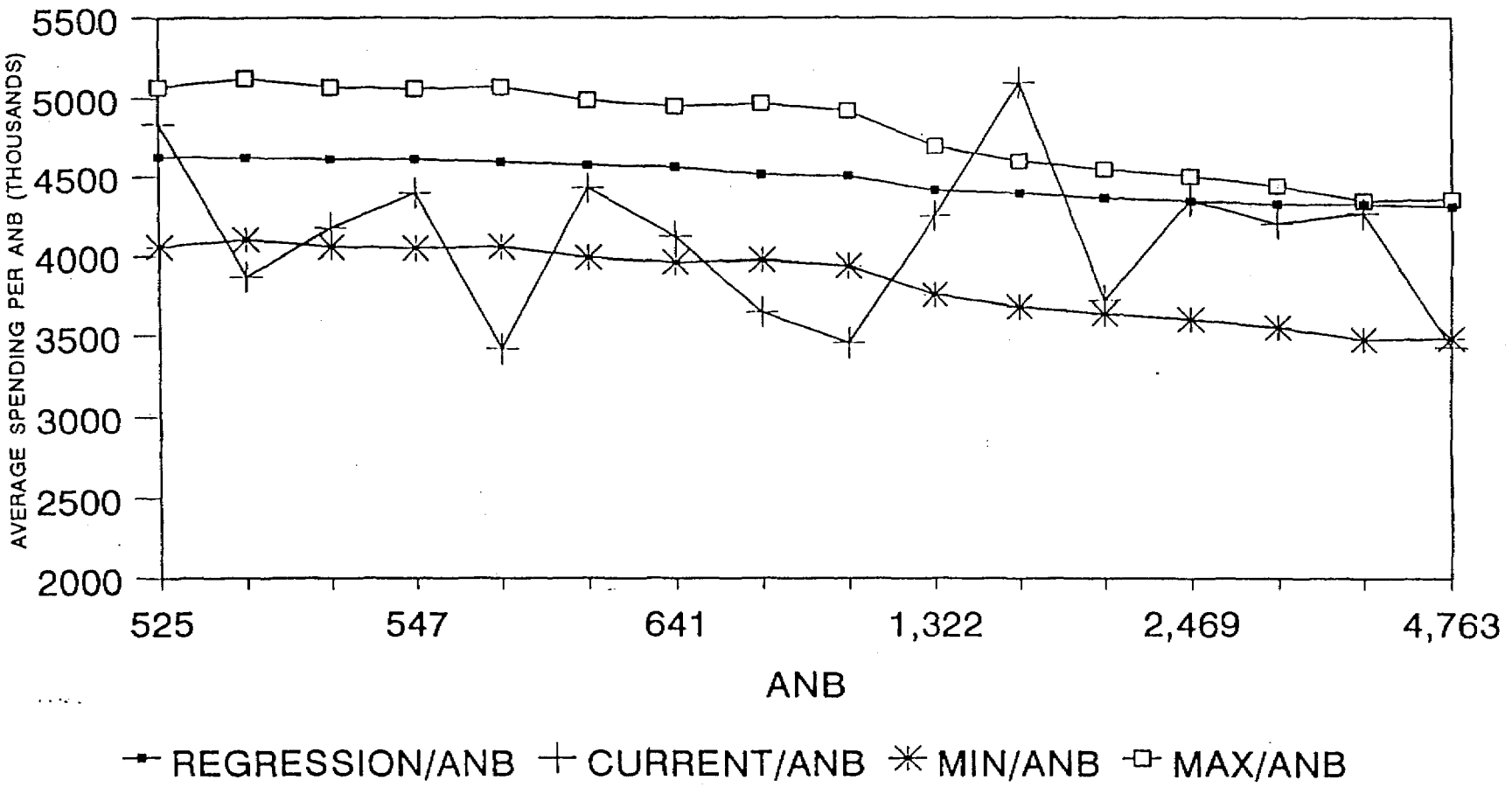
NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	160	117	77
HS	67	54	43
TOTAL SCHOOLS	227	171	120
ELEM ANB	40,353	56,952	11,205
HS ANB	17,532	19,685	5,397
TOTAL ANB	57,885	76,637	16,602

SENATE TAXATION
EXHIBIT NO. 5
DATE 3-31-93
BILL NO. HB667

OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (2500 STOP LOSS)

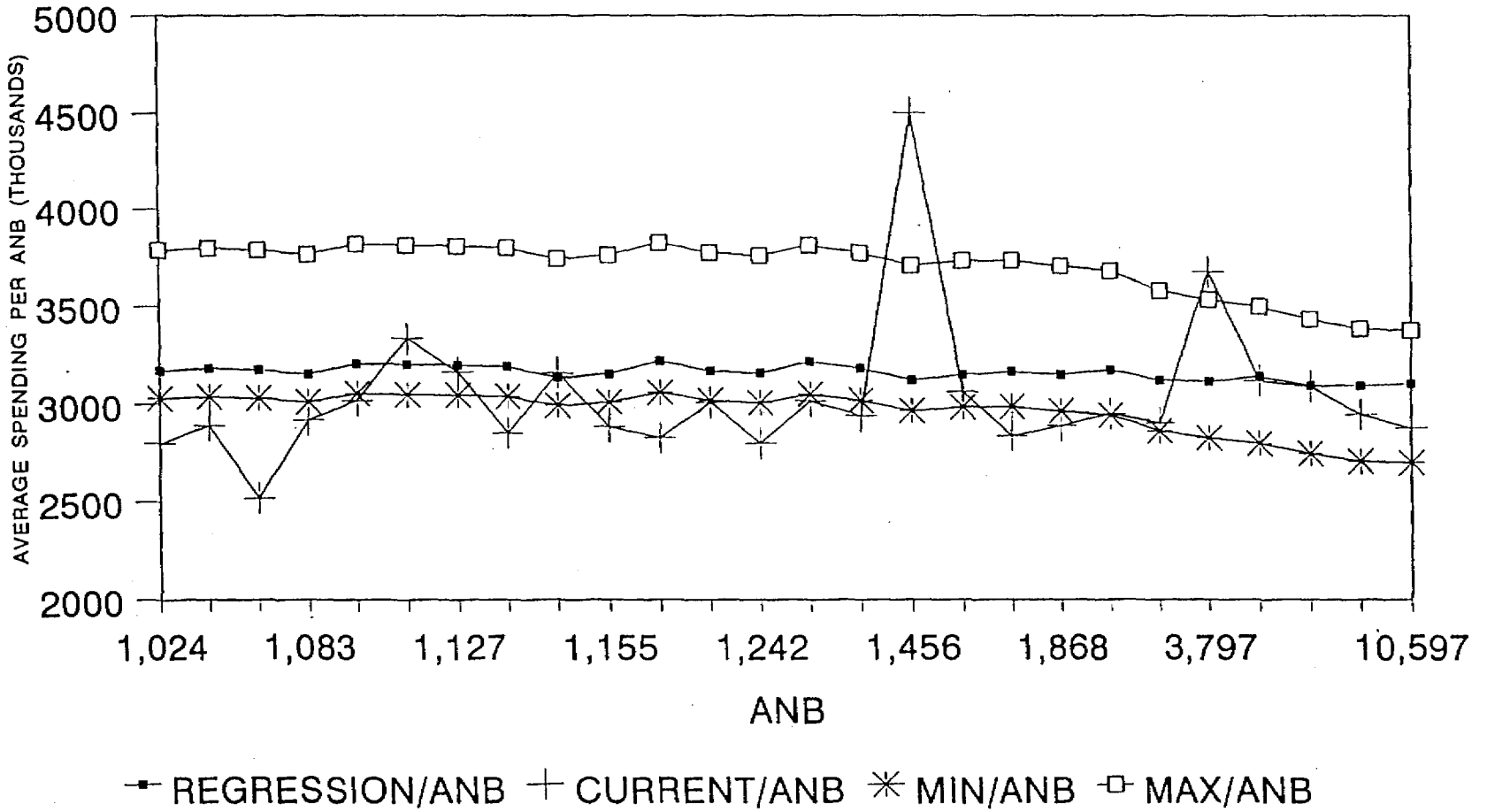


OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (1000 STOP LOSS)

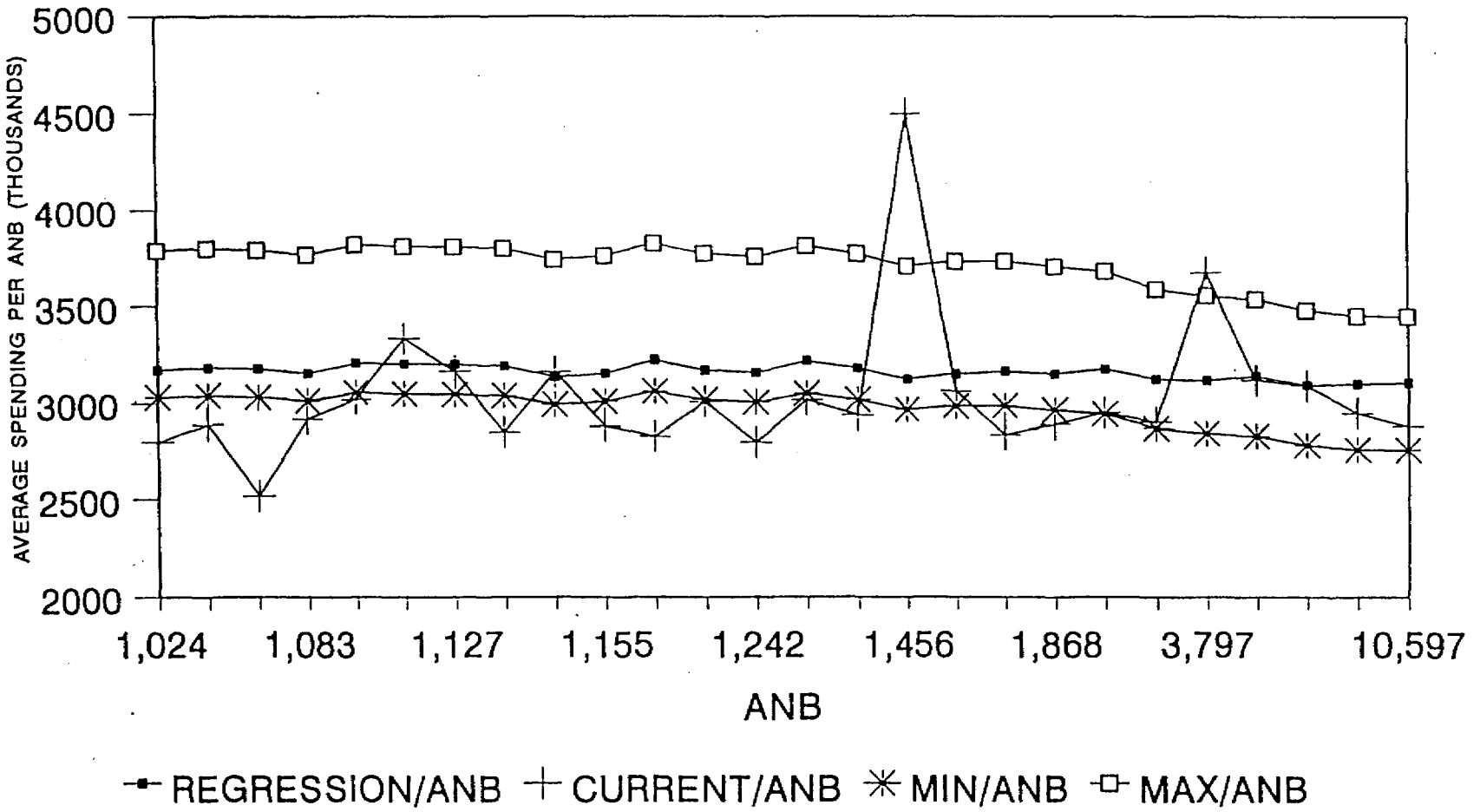


SENATE TAXATION
EXHIBIT NO. 6
DATE 3-31-93
BILL NO. HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2500 STOP LOSS)

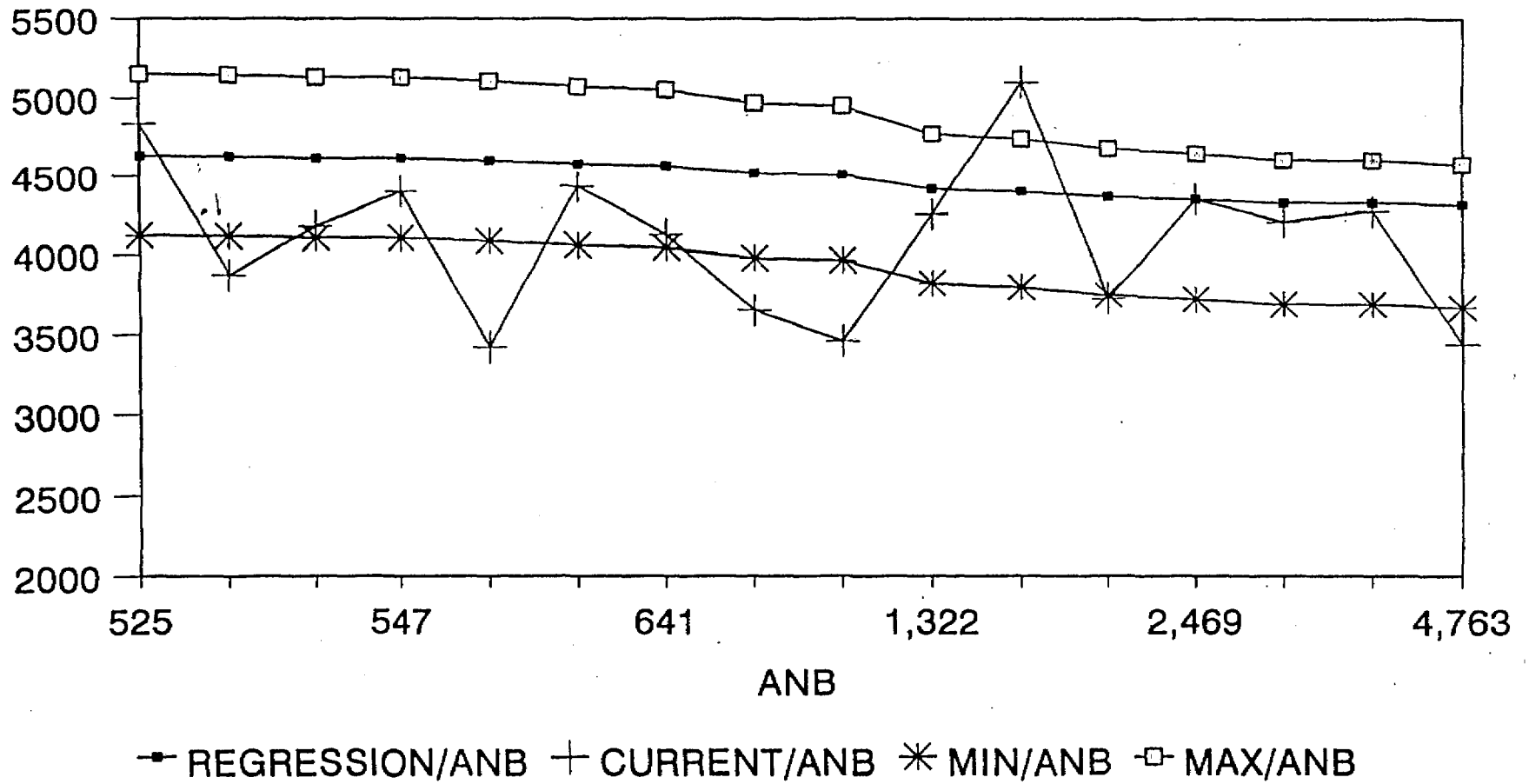


OFFICE OF THE LEGISLATIVE AUDITOR
ELEMENTARY WITH 7TH & 8TH 1001 AND UP ANB (2000 STOP LOSS)



SENATE TAXATION
EXHIBIT NO. 7
DATE 3-31-93
BILL NO. HB 667

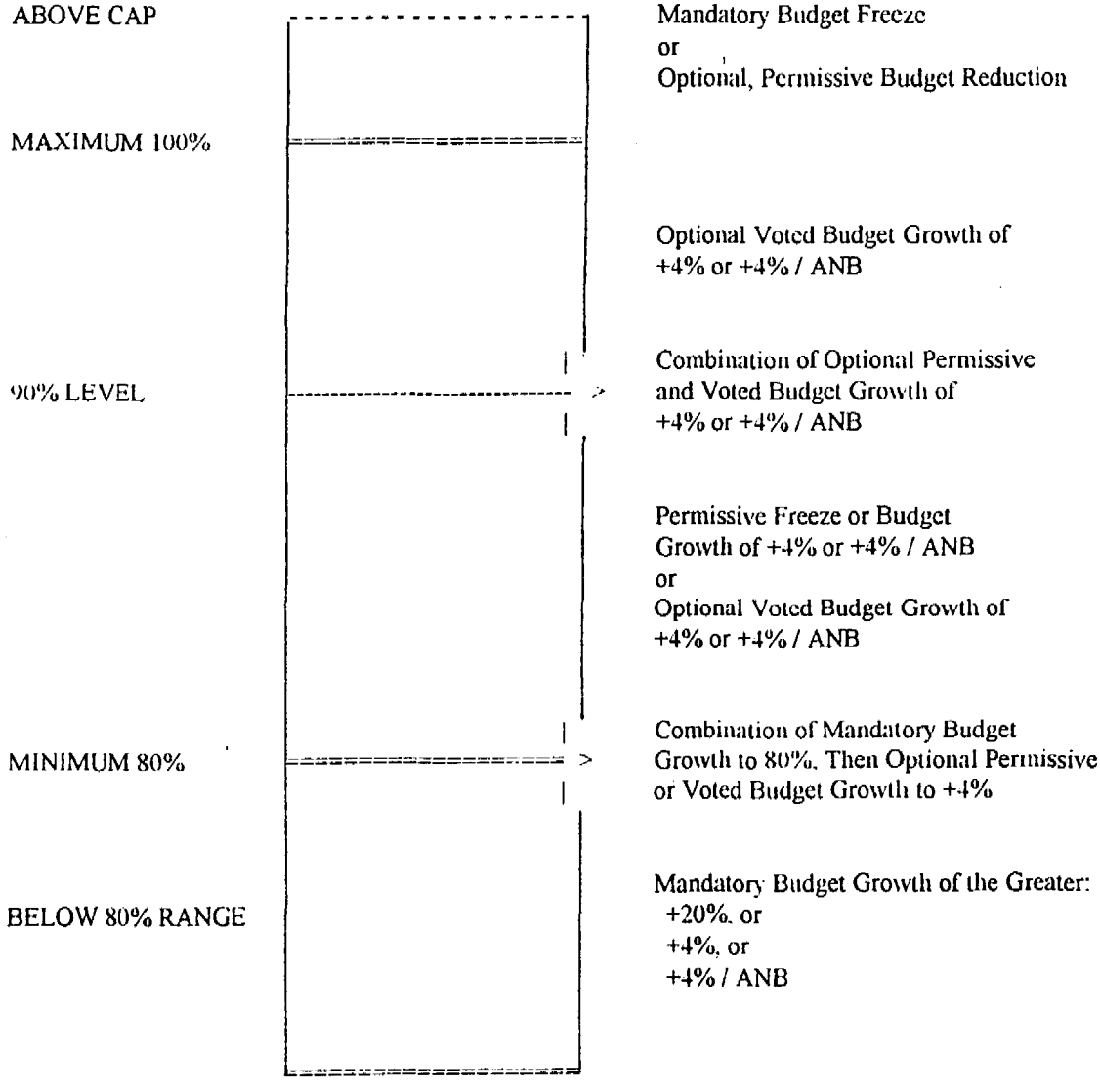
OFFICE OF THE LEGISLATIVE AUDITOR
HIGH SCHOOLS WITH 501 & UP ANB (800 STOP LOSS)



SENATE TAXATION
EXHIBIT NO. 8
DATE 3-31-93
BILL NO. HB667

HB667

AN INTRODUCTION TO THE BUDGET CAP BAZAAR



A SUMMARY OF SCHOOL FUNDING EQUALIZATION PROPOSALS AND RELATED LEGISLATION

	CURRENT SCHOOL FUNDING COMPONENTS	HB 667, 3RD READING COPY	SB 432, INTRODUCED COPY	RELATED LEGISLATION ** MAY NEED COORDINATION
1.	FUNDING SCHEDULES • INCREASED IN HB 28 FOR FY 91, BUT FROZEN FOR FY 92, 93 • NO CHANGES BASED ON ACTUAL COSTS SINCE 1974	REPLACES SCHEDULES WITH: • BASIC ENTITLEMENT $200,000 H.S. $18,000 ELEMENTARY PRORATED FOR 7TH & 8TH • PER-ANB ENTITLEMENT $4,900 MINUS $.50, UP TO 1,000 H.S.ANB $3,500 MINUS $.20, UP TO 2,000 ELEMENTARY ANB $4,900 MINUS $.50, UP TO 1,000 FOR 7TH & 8TH GRADE ANB	• PROVIDES VARYING INCREASES IN FP SCHEDULES FOR SCHOOL SIZE CATEGORIES BASED ON STUDY OF RETIREMENT COSTS PER ANB • INCREASES RANGE FROM 10% TO 20%	
2.	GENERAL FUND BUDGET STRUCTURE • FP SCHEDULES • ALLOWABLE SPEC ED • PERMISSIVE = 135% OF FP + SPEC ED • VOTED AMOUNT	• MANDATORY BASE BUDGET IS 80% OF ENTITLEMENTS MUST INCREASE TO 80% IN 5 YEARS • MAXIMUM GF BUDGET IS 100% OF ENTITLEMENTS • OVER-MAXIMUM AMOUNT MUST REDUCE TO MAX. IN 5 YEARS	• FP SCHEDULES, INCLUDING RETIREMENT PAYMENT • TRANSPORTATION ENTITLEMENT • ALLOWABLE SPECIAL ED • UNLIMITED PERMISSIVE AMOUNT	
3.	BUDGET LIMITATIONS AND VOTER APPROVAL • PERMISSIVE FOR 135% OF FP • VOTED FOR 104% OF PREVIOUS BUDGET	• BUDGET GROWTH ABOVE MAXIMUM LIMITED TO: FY 94, FROZEN AT: PRIOR GF BUDGET OR PRIOR GF PER-ANB FY 95, LIMITED TO: 99% PRIOR GF BUDGET OR 99% OF PRIOR GF PER-ANB FY 96, LIMITED TO 98% FY 97, LIMITED TO 97% • BUDGET GROWTH UP TO MAXIMUM LIMITED TO: 104% OF PRIOR GF BUDGET 104% OF PRIOR GF BUDGET PER-ANB • ADMINISTRATION & BOARD COSTS LIMITED TO 95% AVE. OF 2 PRIOR YEARS	• NO GENERAL FUND BUDGET CAPS • NO CAPITAL OUTLAY EXPENDITURES IN GENERAL FUND	

SENATE TAXATION
EXHIBIT NO. 9
DATE 3-3-93

	CURRENT SCHOOL FUNDING COMPONENTS	HB 667, 3RD READING COPY	SB 432, INTRODUCED COPY	RELATED LEGISLATION ** MAY NEED COORDINATION
4.	VOTER APPROVAL REQUIRED ABOVE 135% OF FOUNDATION PROGRAM	* 90% OF MAXIMUM AND ABOVE NO VOTE FOR FY 94 * 80% TO 90% OF MAXIMUM OPTIONAL VOTE ON LEVY * UP TO BASE BUDGET LEVEL (80%) NO VOTE REQUIRED		
5.	STATE EQUALIZATION LEVEL	* 80% OF ENTITLEMENTS WITH 40% DIRECT AID 40% GTB IF ELIGIBLE * NO CHANGE IN REVENUE SOURCES		
6.	STUDENT COUNT BASED ON DAILY STUDENT COUNT (ANB)	CURRENT ANB METHOD	AVE. OF CURRENT YEAR OCTOBER/FEBRUARY ENROLLMENT COUNT FOR ENSUING YEAR	
7.	SEA PAYMENT SCHEDULE * 8% FROM AUGUST-MAY * FINAL PAYMENT IN JULY OF ENSUING FY	CONTINUE FINAL PAYMENT ON JULY 15 OF ENSUING YR	CONTINUE FINAL PAYMENT ON JULY 15 OF ENSUING YR	
8.	SPECIAL EDUCATION PART OF FP--USED TO CALC. PERMISSIVE % STATE FUNDS APPROX 80% THROUGH ALLOWABLE COST FORMULA	* FULL-TIME SPECIAL ED STUDENTS FUNDED AS ANB FOR FY 95 * COORDINATES WITH SB 348	* NO CHANGE IN SPECIAL ED BUT COORDINATES WITH SB 348	** SB 348, HALLIGAN (NEW SPECIAL ED FUNDING)
9.	P.L. 81-874 MONEY NOT REQUIRED AS NONLEVY SOURCE FOR EQUALIZATION PURPOSES	* NO 874 $ IN GF * NEW NONBUDGETED IMPACT AID FUND FOR ANY SCHOOL USE	* NO 874 $ IN GF * NEW NONBUDGETED IMPACT AID FUND FOR ANY SCHOOL USE	
10.	GUARANTEED TAX BASE PROVISIONS	* GTB FOR 40% OF ENTITLEMENTS, IF ELIGIBLE * GTB LEVEL SET AT 195% OF STATE TV PER-ANB (161% X 1.21 FOR NONLEVY $)	* POWER-EQUALIZES PORTION OF GENERAL FUND BUDGET ABOVE STATE ENTITLEMENTS * GTB FOR ELIGIBLE DISTRICTS RECAPTURE ON MILLS LEVIED BY HIGH-WEALTH DISTRICTS * GTB SET AT 180% OF STATE TV PER-ANB ($27 PER ANB PER ELEM MILL $68 PER ANB PER H.S. MILL) * 95% OF ST. ANB ELIGIBLE FOR GTB	SB 308, STANG, GRANTS GTB ON RATIO OF FP AMOUNT TO DISTRICT TAXABLE VALUATION INCLUDED GTB FOR DEBT SERVICE

	CURRENT SCHOOL FUNDING COMPONENTS	HB 667, 3RD READING COPY	SB 432, INTRODUCED COPY	RELATED LEGISLATION ** MAY NEED COORDINATION
11.	DISTRICT FUND STRUCTURE 9 BUDGETED FUNDS 12 NONBUDGETED FUNDS	* NEW IMPACT AID FUND * NO OTHER CHANGES	* NEW IMPACT AID FUND * BUS PURCHASE FUND REPLACES BUS DEPRECIATION FUND * CAPITAL PROJECTS FUND REPLACES BUILDING FUND AND BUILDING RESERVE FUNDS * ELIMINATES RETIREMENT, TUITION, TRANSPORTATION FUNDS	
12.	RETIREMENT MANDATORY COUNTY LEVY FOR TRS, PERS, SS, UNEMPLOYMENT INSURANCE	NO CHANGE	* INCLUDED IN NEW SCHEDULES * NO COUNTY MILLS OR FUND * 23 COUNTY EQUALIZATION MILLS ADDED FOR RETIREMENT	* SB 235, CRIPPEN, REPLACES COUNTY RETIREMENT AND TRANSPORTATION MILLS WITH SALES TAX REVENUE
13.	TRANSPORTATION * SCHEDULES FUNDED ½ STATE, ½ COUNTY * OVERSCHEDULE COSTS PAID BY DISTRICT	NO CHANGE	* INCLUDED IN GF AS ENTITLEMENT * BUS PURCHASES EQUALIZED WITH STATE MATCH UP TO 40%, DEPENDING ON DISTRICT WEALTH	
14.	CAPITAL OUTLAY NO STATE AID PROPERTY TAX FUNDED	NO CHANGE	* NO BLDG PROJECTS IN GF * BLDG RESERVE & BLDG FUND PUT INTO CAPITAL PROJECTS FUND * DEBT SERVICE REMAINS * EQUALIZED WITH STATE MATCH UP TO 40% DEPENDING ON DISTRICT WEALTH * FUNDED WITH 1 STATEWIDE MILL * GTB DISTRICTS MAY BOND TO 45% OF STATE AVERAGE TV PER ANB	** SB 32, 3RD READING, EQUALIZES A STATE SUPPORT LEVEL FOR FY 94, 5% OF A PER ANB ENTITLEMENT FOR FY 95, 10% OF A PER ANB ENTITLEMENT AVAILABLE FOR BLDG RESERVE OR APPLY TO NEW BONDING PROJECTS
15.	TUITION SEPARATE FUND	NO CHANGE	TUITION FUND ELIMINATED AND BUDGETED IN GF WORKS WITH TUITION CHANGES	HB 469, COCCHIARELLA, REVISION OF TUITION LAWS, WITH FLAT RATE

	CURRENT SCHOOL FUNDING COMPONENTS	HB 667, 3RD READING COPY	SB 432, INTRODUCED COPY	RELATED LEGISLATION ** MAY NEED COORDINATION
16.	STATE REVENUE	NO CHANGE	* RECAPTURE OF PROPERTY TAX AND NONLEVY REVENUE FOR DISTRICT PERMISSIVE AMOUNTS * COUNTY MILLS FROM 55 TO 78 * 1 STATEWIDE MILL FOR CAPITAL PROJECTS	
17.	DISTRICT REVENUE	P.L. 81-874 NOT AVAILABLE FOR GF	P.L. 81-874 NOT AVAILABLE FOR GF	
18.	OTHER COMPONENTS			
19.	EFFECTIVE DATES	FY 1993-94	FY 1994-95	

MONTANA RURAL EDUCATION ASSOCIATION
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HELENA, MONTANA 59604
(406) 442-8813
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SENATE TAXATION
EXHIBIT NO. 10
DATE 3-31-93
BILL NO. HB 667

TESTIMONY ON HOUSE BILL 667

Don Waldron, Lobbyist
Montana Rural Education Association

The Montana Rural Education Association is intrigued with the equalization model of House Bill 667. We agree with many of the assumptions made in the data elements. It also has been refreshing to be part of the openness in the development of this bill.

We are an opponent of House Bill 667 for a couple of very fundamental reasons:

(1) The inequities in our present system in the treatment of smaller school districts and low taxable school districts have been carried forward and in some cases intensified;

(2) We have taken our case under the present system to court and feel that schools and the legislature both need the direction the court can provide. The new House Bill 667 funding formula has moved so fast that we fear the court may not have time to rule. The court's ruling is very important since we feel this new funding structure has some of the same problems as the current system.

John McNeil, Chairman of MREA, would like to share some data that helps illustrate our points of concern, along with

showing you how a change in GTB would help equalize the tax burden. Senate Bill 308, introduced by Senator Stang, which weights GTB, will go a long way in correcting the GTB problems with any of the funding proposals. The new system almost doubles the GTB disparity. We have other concerns about the bill which are the same as you have heard from some of the proponents with qualifications which we will not repeat.

Our thanks again to the Legislative Auditor's Office staff and the members of the Select Committee for their openness and cooperation in the development of this funding system.

MONTANA RURAL EDUCATION ASSOCIATION
P.O. BOX 5418
HELENA, MONTANA 59604
(406) 442-8813
FAX (406) 442-8839

SENATE TAXATION
EXHIBIT NO. 11
DATE 3-31-93
BILL NO. HB667

TESTIMONY ON HOUSE BILL 667

Don Waldron, Lobbyist
Montana Rural Education Association

As for the amendments added in the House of Representatives, we would respond as follows:

1. [Page 13, Lines 11-22] Representative Kadas' requirement for a voted levy above the 90% level is understandable, but the elimination of two years permissive down to one year for general fund above the maximum is very limiting. We would prefer to have an effective date of July 1, 1994 for House Bill 667.

2. [Page 68, Lines 3-24] Representative Swanson's matching funds for systematic initiative for Montana math and science grants is acceptable, as long as the amount is not so high as to have an adverse impact on available state funds.

3. [Page 44, Lines 2-4] Representative Boharski included some non-tax levy revenue in the reduction calculation which should be viewed as a one-time boost in available money that will not continue to reduce state share.

4. [Page 86, Line 15; All of Section 36] Representative Wanzenried's amendment limiting administrative cost to 95% of the previous two years' average is not bad the first year, but

if it would continue, the administration budget would be cut in half in 5-10 years. That amount would reduce the quality of administration to where students would be deprived of proper supervision and leadership. A voted levy for administration along with the general fund vote would give voters a choice of voting for a smaller amount and against a larger amount. This is not a good management tool.

When you look at the change in mills to the taxpayer, 107 of the 160 MREA member schools would be better off under HB 471, reducing the foundation schedule by 5%. Changing to our weighted GTB would change this to where about half would be better off with HB 471 and the other half would be better off with HB 667.

BOARD OF EDUCATION
HARLAN CONRADSEN, Chairman
DOUG PUST, Vice-Chairman
CLIFFORD BERGSTEDT, Trustee
GARY DARDIS, Trustee
MARK TOMBRE, Trustee

SAVAGE PUBLIC SCHOOLS
Elementary District No. 7 & H.S. District No. 2
Richland County - Savage, Montana 59262
776-2317 Fax: 776-2260

JOHN J. McNEIL
Superintendent
DARREL STOLL
H.S. Principal
JOHN PFEIFER
EL Principal
MILDRED SHIELDS
Clerk

SENATE TAXATION
EXHIBIT NO. 12
DATE 3-31-93
BILL NO. HB 667

SENATE SELECT COMMITTEE ON EDUCATION FUNDING

HEARING MARCH 31, 1992

HOUSE BILL 667

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE

I AM JOHN MCNEIL
SUPT. OF SCHOOLS SAVAGE
CHAIRMAN, MONTANA RURAL EDUCATION ASSOCIATION

MONTANA RURAL EDUCATION ASSOCIATION OPPOSES H.B. 667 FOR THE FOLLOWING REASONS

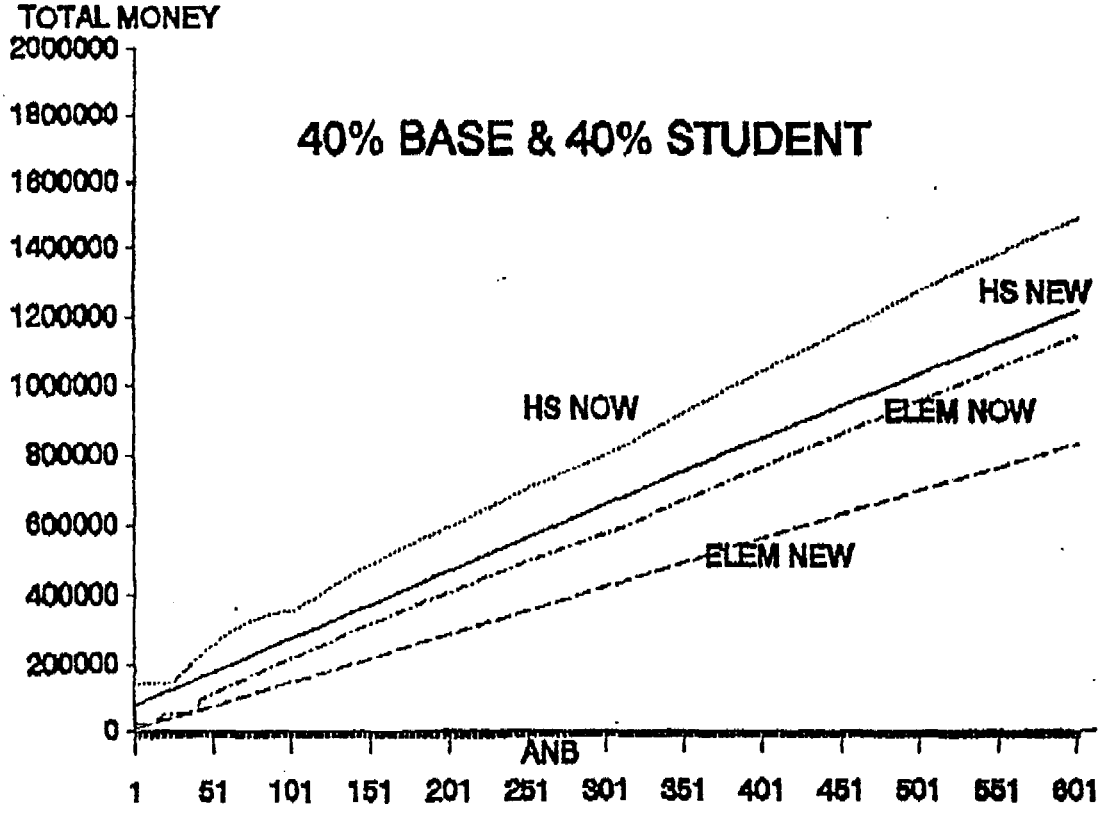
1. HOUSE BILL 667 HAS AS ITS BASIS THE EXISTING FOUNDATION PROGRAM AND 1993 SCHOOL BUDGETS, WHICH WE FEEL ARE INADEQUATE IN PROVIDING THE STUDENTS OF MONTANA WITH EQUALITY OF EDUCATIONAL OPPORTUNITY.

2. HOUSE BILL 667 USES THE GUARANTEED TAX BASE PER ANNUAL NUMBER BELONGING CONCEPT OF H.B. 28 TO FUND THE PERMISSIVE PORTION OF THE BUDGET, THIS CONCEPT DIRECTLY AFFECTS THE ABILITY OF RURAL SCHOOLS OF MONTANA TO PROVIDE EQUAL EDUCATIONAL OPPORTUNITY.

3. HOUSE BILL 667 HAS AN EFFECTIVE DATE WHICH CAUSES THE BILL TO GO INTO EFFECT FOR THE NEXT SCHOOL YEAR, WE FEEL THIS IS TOO MAJOR A CHANGE IN SCHOOL FUNDING TO PROCEED SO QUICKLY.

4. THE MONTANA RURAL EDUCATION ASSOCIATION FEELS THE LEGISLATURE SHOULD AWAIT A COURT RULING BY JUDGE SHERLOCK BEFORE REVISING SCHOOL FUNDING SO THERE IS A CLEAR UNDERSTANDING OF ALL THE PROBLEMS OF OUR EXISTING SYSTEM.

FOUNDATION PROGRAM



Finance
EX #12
3-31-93

HB 667

Effect on FP Ratios (Weights) by Addition of GTB, for Elementary; 1990-91

Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
1-6	1.81:1	3,738	1.64:1
2-6	1.18:1	2,443	1.07:1
3-6	1.10:1	2,287	1.00:1
4-6	1.29:1	2,686	1.18:1
5-6	1.13:1	2,480	1.09:1

1 - 9 or less
2 - 10 - 17
3 - 18 - 40
4 - 41 - 100
5 - 101 - 300
6 - 300 - up

6 1:1 2287 1:1

Effect on FP Ratios (Weights) by Addition of GTB, for High Schools; 1990-91

Category Comparison	Current FP Category Ratios (Weights)	State Aid per ANB	State Aid per ANB Ratios (Weights)
1-7	2.81:1	7,014	2.52:1
2-7	2.27:1	5,672	2.04:1
3-7	1.77:1	4,625	1.66:1
4-7	1.28:1	3,359	1.21:1
5-7	1.14:1	2,962	1.06:1
6-7	1.03:1	2,766	0.99:1

1 - 24 or less
2 - 25 - 40
3 - 41 - 100
4 - 101 - 200
5 - 201 - 300
6 - 301 - 600
7 - 601 - up

7-7 1:1 2793 1:1

90-91 GTB

	ANB	MILL VALUE PER ANB	PERM $ FP * 35%	ACT MILL VALUE	GTB MILL $44.73/ANB	PERM MILLS WITH GTB
BILLINGS	4579	31.88	3,998,611.	145,978.	204,851.	19.51
COLUMBUS	152	31.82	171,783.	4,837.	6,799.	25.26
VICTOR	75	32.93	114,397.	2,470.	3,355.	34.10
ST. REGIS	57	54.59	98,673.	3,112.	(2,549.)	(31.70)

90-91 WEIGHTED GTB

	ANB	FP RATIO	WEIGHTED ANB	ACT MILL VALUE	WEIGHTED GTB MILL $39.53/ANB	PERM MILLS WEIGHTED GTB
BILLINGS	4579	1.0	4579	145,978.	181,053.	22.08
COLUMBUS	152	1.294	197	4,837.	7,787.	22.08
VICTOR	75	1.75	131	2,470.	5,178.	22.08
ST. REGIS	57	1.982	113	3,112.	4,467.	22.08

RESULTS OF WEIGHTING GTB ON PERMISSIVE

	PERM MILLS NO GTB	PERM MILLS WITH GTB	PERM MILLS WEIGHTED GTB
BILLINGS	27.39	19.51	22.08
COLUMBUS	35.31	25.26	22.08
VICTOR	46.31	34.10	22.08
ST. REGIS	31.70	(31.70)	22.08

Senate Committee on Finance
EX 12 HB-667
3-31-93

SELECT COMMITTEE SCHOOL FUNDING BILL HB 667

	ANB	TARGET BUDGET	STATE BASE $ = PERMISSIVE $	$ TO FUND 20% LEVEL
BILLINGS	4579	20,597,850.00	8,239,140.00	4,119,570.00
COLUMBUS	152	939,062.00	375,624.80	187,812.40
VICTOR	75	566,112.50	226,445.00	113,224.50
ST. REGIS	57	478,502.00	191,400.80	94,700.40

	PERM MILLS GTB / ANB	PERM MILLS GTB / STATE $	MILLS TO FUND 20% LEVEL
BILLINGS	33.44	36.07	25.32
COLUMBUS	45.93	36.07	38.83
VICTOR	56.12	36.07	45.84
ST. REGIS	62.41	36.07	30.75

A. EXAMPLE USES PERMISSIVE MILLS ONLY TO FUND PERMISSIVE $

B. ANB GTB AT $53.80 PER ANB

C. WEIGHTED GTB AT $.02772 PER STATE BASE $

SENATE TAXATION
EXHIBIT NO. 13
DATE 3-31-93
BILL NO. HB 667

MEMORANDUM

To: Representative John Cobb, Chairman
Representative Ray Peck, Vice-Chairman
House Select Committee on Education

From: Jim Gillett
Legislative Auditor's Office

Date: February 16, 1993

Re: Decisions that need to be considered when considering school funding equalization model presented to your committee on February 9, 1993

1. What should each school district's "base entitlement" be?
Elementary?
High School?

ANSWER: Elementary 18,000
High School 200,000

Should an inflation index be included in the law for this entitlement?

ANSWER: NO

2. What should the "per student allocation" be?
Elementary?
High School?

ANSWER: Elementary 3,500
High School 4,900

Should an inflation index be included in the law for this allocation?

ANSWER: NO

3. What should the "per student reduction" factor be?
Elementary?
High School?

ANSWER: Elementary 20 cents
High School 50 cents

Should the per student reduction factor no longer be applied after a selected level of ANB is reached?

ANSWER: 2500 High School & Elementary

4. What percentage of the "base entitlement" should the state support with direct payments to school districts?

ANSWER: 50%

5. What percentage of the "base entitlement" should the state support through guaranteed tax base (GTB) aid?

ANSWER: 30%

6. What percentage of the "base entitlement" should the district be required to pay with local money not subsidized by the state?

ANSWER: 20%

7. What percentage of the "per student allocation" should the state support with direct payments to school districts?

ANSWER: 45%

8. What percentage of the "per student allocation" should the state support through guaranteed tax base aid?

ANSWER: 35%

9. What percentage of the "per student allocation" should the school district be required to pay with local money not subsidized by the state?

ANSWER: 20%

10. To what level should the GTB mills be subsidized?

ANSWER: 200% of the current level

11. How long a period will school districts budgeting less than their "mandatory general fund budget" be given to bring their budgets up to the mandatory level?

ANSWER: 5 years

Should this increase be applied to per pupil budgets or total budgets?

ANSWER: Per ANB

12. At what rate should school districts budgeting above their "maximum general fund budget" be required to reduce their budgets to the maximum level?

ANSWER: 2% per year

Should this rate be applied to per pupil budgets or total budgets?

ANSWER: Per ANB

13. What limitation, if any, should the legislature place on the annual budget increases of school districts which are currently spending between the "mandatory" and "maximum" budget levels?

ANSWER: None

Should this rate be applied to per pupil budget or total budget?

ANSWER: N/A

Should this factor be linked to an inflation index of some kind?

ANSWER: N/A

14. Will school districts spending above the maximum level be required to vote any budget amount which is above the maximum budget?

ANSWER: Yes

Will this vote, if required, be combined with the vote, if any, resulting from question 15?

ANSWER: N/A

15. Will school districts spending between their mandatory and maximum budget levels be required to vote all or part of their budget amount which is between those levels or should that budget amount be adopted at the discretion of the district trustees?

ANSWER: No

Will this vote, if required, be combined with the vote, if any, resulting from question 14?

ANSWER: N/A

16. Should school districts with multiple schools be allowed additional "base entitlement" amounts for each additional school?

ANSWER: No

If so, what should the dollar amount of these entitlements be?

ANSWER: N/A

Should the additional entitlements be for each school or for a selected number of ANB?

ANSWER: N/A

17. How, if at all, should P.L. 81-874 impact aid funds be considered in the funding mechanism?

ANSWER: No

18. At what location in the funding mechanism should "non-levy" revenue be considered?

ANSWER: GTB mills level

19. In order to help with the wealth neutrality of the system, should all or a portion of the unsubsidized portion of the budgets be supported with GTB aid?

ANSWER: No

If so, at what level should the mills be guaranteed?

ANSWER: N/A

20. Should their be a mechanism to phase in the effects of budget reductions resulting from decreases in enrollment?

ANSWER: No

JHG/j/i8.mem

DATE March 31, 1993

SENATE COMMITTEE ON SELECT COMMITTEE ON SCHOOL FINANCE

BILLS BEING HEARD TODAY: HB 667

Name	Representing	Bill No.	Check One: Support	Check One: Oppose
Debbie Howe	BTH			X
David B. Hurst	Pryor Schools			X
Dale Sailer	Dutton School			X
BERNARD ROSING	SMEDS SCHOOL	667	X	
Rick Ryder	Choteau School	667	X	
Ryan Olson	Evergreen School	667	X	
Robert Cunningham	" "	667	X	
Darrea Brabec	Colstrip Schools	667		X
Dave Peters	Whitefish Schools	667	X	
Don Waldron	MEA	667		X
Jim Anderson	Colstrip Schools		X	X
Ronald Stegman	E. Helena Schools	667	X	
HARRY D. ERICKSON	Bilgrade	667	X	
Gary Steuerwald	Billings Public Schools		X	
John Mudd	M.F.T.			X
Bob Anderson	MSBA	667		X

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

DATE _____

SENATE COMMITTEE ON _____

BILLS BEING HEARD TODAY: _____

_____

Name	Representing	Bill No.	Check One Support	Oppose
Jim Smithson	School Dist #1 Butte	667		✓
John McNicol	SAIAGE School	667		✓
Loren Fryer	SAIAGE	667	✓	
Larry Fasbender	G.F. Public Sch.	667	X	
KARL ROOST	Power Co Supt Deer Lodge	667		X
Gary Barling	Broadwater School	667		X
Terry Minow	MT Fd Teachers	667		X
Linda Brannon	IISM - MASBO			X
Pat Melby	Underfunded Schools	667	X	
Bruce Moerer	MSBA	HB667		X
JIM STANTON	BAKER SCHOOLS	H.B 667		X
Al McCue	Townsend Schools	667	X	
ERIC FEAVER	MEA	667	3	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE FOR SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Senator Chet Blaylock, Chair, on April 2, 1993, at 7:06 a.m.

ROLL CALL

Members Present:
Sen. Chet Blaylock, Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Eddye McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: HB 667
Executive Action:

Discussion:

Chair Blaylock gave the outline of how he would like to conduct the meeting and the committee agreed. He said he wanted this committee to come out making recommendations to the full committee and would hope we can be as unified as possible on what we will do. We are talking about some very fundamental changes in the way we fund education and the way we do education in the state of Montana. There is a lot of work that has gone into these bills and basically we have before us HB 667 and SB 432. He said he saw the job of legislators and as state senators, at this point, is to make the fundamental policy decisions to give direction to our mechanics. We have a lot of good people here who know how these things work, but they deserve and need direction from us on the way they should go. We are going to have to make some tough decisions here. He suggested the first thing needed is to make HB 667 because it is so far down the

road, has received the blessing of the House of Representative, we have heard it here, the best vehicle possible. We have also heard 432 but could not see the possibilities of SB 432 going out and getting through in the House. If that is the case, then the model we have to work with is HB 667. He said Representative Cobb has put a lot of effort into this and worked hard on it. Rep. Cobb had told him there are things wrong with 667 but they ran out of time in the House. Our job here is to make 667 as good a bill as we can. He had been told this would be a simpler way of doing things than what we have been doing. He said he would have Kathy Fabiano, OPI, talk to us first because she has had a lot of accounting experience and she will go through 667 for us and tell us, from the standpoint of the OPI, how this bill can be improved. Because there had been some controversy over the Legislative Auditor's input into this bill, he had specifically asked Senator Greg Jergeson for permission to have the Legislative Auditor people at this meeting. He had told Senator Jergeson that, as Chairman of the Legislative Audit Committee, he should protect the Legislative Auditor's office from all of these random requests and the Senators should not be going to the auditor's office if they are outside the auditor's function. The reason he had asked for specific permission for the Auditor's office to be here was because they have put a tremendous amount of influence into this bill. He believed it was only fair to the bill and the concepts that they are here.

Chair Blaylock said this room is full of expertise, a number of superintendents are here, and as the meeting goes on, he would encourage the members to ask questions of these people to get it clear in our minds what we are going to be doing.

Senator Brown said he would echo most of the comments the Chair had made. He believed HB 667 had some very good work go into it and it is a concept that takes reform in the right direction in many respects. He believed this is the vehicle we need to work with.

Motion/Vote: Senator Brown moved the subcommittee focus it's attention on HB 667. Motion CARRIED, Senator Van Valkenburg absent.

Chair Blaylock asked Senator Brown if it would be all right to say any of the things we can put into 667 from SB 432 that would improve the bill or make it work better would be part of our aim also. Senator Brown agreed.

Kathy Fabiano, OPI, said they appreciated the opportunity to discuss in depth, the policy questions you need to decide as this finance bill is developed. HB 667 is a good start, but there are several critical questions that need to be answered by the Legislative Auditor's office before we can tell you if this fiscal model approach used in this bill will benefit, harm or have no substantial effect on schools, compared to the present system.

Chair Blaylock asked Jim Gillett, Legislator's Office, to take notes as Ms. Fabiano goes through this, and on the points she makes, he will be called on next to tell us if this is something that we need to fix, or whatever.

Ms. Fabiano had the questions handed out to the committee, and then read through them. (exhibit 1)

Ms. Fabiano said these questions should all be answered to your satisfaction before policy decisions, like should the $18,000-$200,000 base amounts, or the stop loss amount be adjusted. Since the answers to these questions may not be reflected in the spread sheets or the what you have before you of statistical matter, you may not have a total picture of the district impact and implications of House Bill 667 on Montana schools. For this reason, our office recommends you retain the 80 to 100 minimum maximum budget mechanism in the bill. It is a good way to address pro-people spending disparities, but apply the concept to the current schedules instead of to the statistical model.

Chair Blaylock asked if that was basic and Ms. Fabiano said yes. She handed in written testimony. (exhibit 2)

Chair Blaylock said one of the really heavy questions this committee will have to look at, is "do we bring in the non-revenue levy here and redistribute. That will be a fundamental policy decision we make a recommendation on. She said they concur with Representative Kadas's recommendation but believe we should give districts affected by it, the authority to levy permissively to a certain level.

Ms. Fabiano read # 10 and said basically there are two concerns, one is do you want to subject 874 dollars that are spent for general fund purposes to the caps that are in the bill and the other question is, if you put 874 money into the new general fund budget provisions--the 80% minimum area, you have to pay GTB on any 874 dollars. When you force those districts to budget a minimum dollar amount, they will either have to levy their taxpayers to get to that 80% minimum or you will have to allow them to use 874 dollars in that 80% area and pay GTB on those dollars.

Chair Blaylock asked, in all those recommendations, how much do the dollar amounts change. If we were to implement all the things you are taking about, does it increase the cost of the bill as it stands now. Ms. Fabiano said it does not need to increase the cost, it depends on how you incorporate these provisions into the bill, on where you set the 80 and 100% maximums based on the current schedules and how much the current schedules you change to be in GTB. The money that is currently distributed under the schedules, if that amount is reduced and the amount of GTB is increased, that goes to districts to further equalize more dollars. It is where you set those levels that determines the cost.

Jim Gillett, Legislative Auditor's office said he could address the five questions that Ms. Fabiano posed to our office. The remainder that are either in or not in the bill, he would leave for later.

Mr. Gillett said on the regression analysis, including capital outlay and special education costs that are currently in the general fund in the regression analysis, they did that because the instructions they had received from the Select Committee was that the bill was not going to include any provisions to remove those from the general fund. Because of that, if there was a legitimate general fund expenditure under the current system and the intention was for them to continue under a modified system, you leave them because they are, and would continue to be, legitimate general fund expenditures. If you were to choose to not allow those things in the general fund, or put them on a separate model in the general fund, you might want to think whether a different regression analysis would be appropriate. That was done, based on our instructions from the Select Committee, that those things were going to remain part of the general fund, and as such, we left them in the regression analysis.

Mr. Gillett addressed the question of why a district size is the only factor the model recognizes as education relevant. First, they left the special education expenditures in. That is an educational relevant factor in the regression analysis. That was done on actual '92 expenditures. Other than those special education costs which were included in the regression analysis, the only factor which currently exists in law is school size. The select committee's instructions were to maintain that educational relevant factor, they had not, at that point in time, identified any additional educational relevant factors and to date none have been identified. That is why that was the primary factor in preparing that analysis.

Mr. Gillett addressed the question of the incentive to maintain separate districts or to consolidate under this bill. He said when they did the analysis, the school size was an educational known factor, and their instructions from the select committee were to design a system that would accommodate to one degree or another, any school size. Whether an individual school district needs to exist or not, is a public policy decision which probably the Legislature should make. Looking at schools around the state, there are probably schools of all sizes that need to exist, and because of that the notion was to design a system that would accommodate any school system with consolidation being a separate issue. As we discussed the ramifications of the system of schools around the state, and he suspected they had representatives of 200 or more districts stop by and talk about the model, a number of them said "this hurts little schools, it is a consolidation bill". About as many say "this does good things for little schools, it is an anti-consolidation bill". He suspected it was how the model effects an individual district as

to whether the person believes it is a consolidation or an anti-consolidation bill. It depends on whether you look at it from a budget side or a tax side, and that makes a substantial difference. He said just in this room today you could probably get a debate as to which it was. From their perspective and the instructions they received, it is probably right where it ought to be and beyond that the decision to sway it one way or the other should be up to the prerogative of the select committee and will be the prerogative of this committee.

Mr. Gillett addressed number 4, on general size categories and do equal numbers of districts have to reduce their spending etc. He said we are always shifting funds from one size category school districts to another. The select committee in it's final version, had us prepare a set of graphs that would basically take the regression line and the minimum and maximum budget lines from the model for all districts and draft them for the elementary districts without junior high, for elementary districts with junior high and for high schools. Those graphs show that for any size category, there are folks who are above the maximum, folks who are below the maximum and folks who are in between. Those graphs are part of the record in the House select committee, they do exist and give a fair picture of just where districts lie in relation to the system. It is an easy way to understand exactly what is happening to whom under the model as it exists.

Mr. Gillett said the last issue is about taxpayer equity issues in this model, how many districts still have a significant tax advantage because of the availability of non-levy revenue to fund the districts budget is a tax policy issue and we were specifically instructed by the subcommittee to deal with the budget side, not the funding side. They felt that was an issue that would be dealt with separately, and he believed the select committee also made that same decision. The bill, as it left the select committee, was state cost neutral and the funding side was left to the activities of the House education committee and for those on the floor of the House. We developed a budget model without consideration of the funding side. It is an issue that does need to be addressed, but it was not a part of our charge.

Chair Blaylock said he would encourage members, if they have questions to ask them, and he would specifically warn the superintendents that are here that he will call on some of them for a short comment, or if they have questions that need to be cleared up, this should be done, because you are the people who will have to be working with anything that comes out of this session.

Senator Waterman said one of the questions she was struggling with was whether to include non-levy revenue or not. She asked Mr. Gillett if he could discuss the advantages and disadvantages of including non-levy revenue. Mr. Gillett said there were two notions they modeled. One was for Rep. Boharski's amendment which the House put in the bill on the floor, the other is Rep.

Kadas's motion which is not yet in the bill and at this point he was not sure it has been offered as an amendment. They have done substantial work on both of those. As far as whether one or both is a good idea, or creates taxpayer equity, there are probably positives and negatives, as in any tax issue, on either one of them and issues that need to be dealt with in either one. The non-levy revenue sources, those that are specific to regions, could be considered to create a tax imbalance. He gave the example if one had banks in your school district and receive a portion of the financial institution's corporate license tax, and another district does not have banks in it, and does not receive that money, that could be considered to be a tax fair issue. On the other hand, the district that does not have banks, may have more motor vehicles, or taxes it receives on oil and gas, whether it creates an imbalance or not, is an issue that is important. He had not been asked to comment as to whether there is an inequity issue and therefore had not done an analysis of it.

Senator Brown said Kathy Fabiano's first comment was that we continue to use the existing schedules rather than those that are modeled in the bill. He asked Mr. Gillett if he had a comment on that. Mr. Gillett said he could only share the conversations they had with the members of the select committee, that the current foundation schedules have a lot of "spooks" in them. They have been in court now for a number of years and he believed the message the select committee was intending to send, what they instructed him, was "let's design fundamental change in the system". He said he could understand the administrative ramifications of this, they are serious, and would agree wholly with Ms. Fabiano, that a lot of effort has gone into it. They wanted to come from the direction of fundamental change. If you change the system enough and it is a fundamental enough change, it at least takes a while for someone to draw a bead on it. He believed that was where the select committee was coming from in saying let's design fundamental change but believed using the current foundation schedules, it is impossible. To remodel that would be a substantial task, and he did not know what the time frame was, but it could be done.

Senator Brown said it seemed to him that OPI makes a valid point when they talk about the limited amount of time they have between now and when the effective date of this must occur, as well as the limited amount of time in the session. Apparently no litigation was focused specifically on those schedules, so we need to know what is doable here, this may be a modification we could make in the next legislative session as well, but he was interested in knowing what Rep. Kadas has to say about this.

Representative Kadas said there is a suit specific to the schedules and that the MREA's. If you do stay with the old schedules, there are some clear problems in the elementary categories 1-4 that have to be dealt with. You have districts of nearly the same size getting very different dollars from the state. Without a doubt there is a problem there. On a larger

perspective, he thought it necessary to go in and redo the whole structure. The structure was set out 45 years ago, it has been changed, bumped and twisted in rational and political ways and you really need to do it with a rational basis behind what you are doing. Different groups may disagree with the basis on which you are doing it, we tried to find a basis, fact it out, and provide that. We provided the rational basis but did not exactly follow it in putting our model together, but it fits pretty close. He did not think it possible to use the old schedules. You can, but you will not be doing us a service by doing so.

Senator Waterman said for over 40 years as we have given percentage increases, the glitches in it have been exacerbated. Percents have varied and skewed it even more. Rep. Kadas said percents have varied, we have put little things in different categories to change things, and the biggest thing is that the technology of providing education has changed. As a consequence the economies of scale has changed and that is what those schedules reflect.

Chair Blaylock asked Ernie Jean if he would like to comment on what has been said so far on keeping the schedules or going to a different basis.

Ernie Jean, School Superintendent, Florence, President of the School Superintendents and the Chairman of the Committee of School Administrators that have been working carefully and closely with this committee, said they share Rep. Kadas's concern that the present model has some problems in. Though they agree with Ms. Fabiano because they are sitting here but at the same time they are wondering how they are going to implement this in their office. He said they share that as far as that model is concerned. We are at a time of great challenge and great uncertainty as to how this will really work and we have consistently said that it has great promise, depending on a "zillion" amendments and things that may impact it as it goes through the process. As it relates to this, we would tend to support the new funding model as it relates to the new delivery model of revenue versus the old.

Senator Stang said one of the big problems has been the implementation of whether we should do it July 1 of this year or wait until '94. He had a number of superintendents in his area say "let's do it now" and a couple that have come in and said "let's wait a year". He asked if his group had a position on this. Mr. Jean said they would like to see it implemented now. That has been their position from the outset.

Mr. Jean said they share a lot of the same questions Ms. Fabiano had, and believe very strongly that capital outlay needs to be addressed and this is a good place to bring it in. We are not sure how SB 32 and 432 could come together. They would look at retirement and transportation as being outside of this model, and could not see it put into the same bill. They have consistently

argued against capping mechanism within tiers. They believe you have the ultimate cap and this is an absolute spending limit with 100% and therefore caps in between seem to be superfluous to that.

Chair Blaylock asked if he would do away with all caps or just some of them and Mr. Jean said they would do away with them all. Their contention is that the local elected officials are pretty responsive to the local folks and will only do what the local folks will let them do, whether capped or not capped. He said there is a cap, it is an 80 and 100% cap. That is an absolute cap and how you move within that is pretty much up to the needs of the local districts. They would first support no caps, but certainly no caps as it relates to below 80%. That should be a given, and if you are going to guarantee that level, then let them get there without capping. He said they also believe special ed needs to be tied in with the bills that are currently there, SB 348, but it should be outside the bill as it currently is, not figured into the inside cap. As it relates to the policy decision as to how you manipulate the statistics, we will react to that as it comes to be in the discussion. They also believe that there should be a freeze for those school districts that are above 100%. They think it is innocuous that it just suggests you will have to scale back a budget that has been built over a system, let's leave that as it is, freeze them at that point and let the system work at that level. They would also oppose any attempt to legislatively establish how districts choose to regulate and move their funds within the funds. In regard to legislative attempts that would establish what the administrative or teaching function should be or what any function should be, should be as a local control issue.

Senator Waterman mentioned the consolidation issues on her bill and said she believed the school administrators had a position that is the direction they should be moving, but that is to be voluntarily. She asked if there was a way we can build an incentive into this bill, or is it wise. Mr. Jean said that they have not specifically looked at that as an organization, but personally he believed it was difficult to build a finance bill that attempts an all together different problem. He said he thought it would do an injustice to both by attempting it.

Senator Brown asked if, before the committee left the subject of the caps, perhaps they could have a proponent of the caps explain why we need caps in the 80 to 100% range.

Representative Simpkins said the primary reason for a cap below 80% is money, because if you let everybody raise to 80%, we could figure out how much it would be, but we don't know how fast it would raise, and that is where your state funding will become more apparent, below the 80%. Rep. Kadas put in an amendment and we were concerned that if you just neutered this bill of all caps, you had taken the voter out of it all together. The amendment he put in will at least put a voted mill levy at 90%

and above. The caps on the 100% schools and the freeze, is just a faster way to equalize. If you just freeze everybody at the top, it slows down the equalization, but possibly not to an extent that would present a major problem. The 104% and the optional voted levy is something that is a policy decision. It is how fast you want to allow the schools to come up, and that is local taxpayer dollars. We have to decide in the Legislature, do we want the local taxpayer to be hit, or have some type of control on it, rather than just a school board. That is a policy decision, and if you take away the caps, there is a policy decision then of the Board of Trustees and they have to respond to the local people. It is how you want to control any type of taxation in the communities.

Senator Brown said he thought it was permissive for the Board to increase spending in the 80 to 100% level by 4% and above that they had to go to a voted levy. He asked if that was correct and Rep. Simpkins said there is just a modification here. Below the 100%, we are authorizing them to rise at 20% per year, then we came across the problem of a school district that was just below the 80%. If we said they could only take 20% of that little difference they get "had" because the other school district just above could take 4%. We built in that 4%, and your choice is to take the 4% or the 20% of the difference. It does give the advantage to that school that is just that close to 80% and they can go above the 80% by using the 104%.

Senator Brown said in looking at the blue sheet, there are some schools in that category. You have not taken the voters out of it completely if you allow them to vote on a larger increase. Rep. Simpkins said we first started out with a voter option, an option of the board to submit it to the voters, and that was to appease certain members who want to vote. When Rep. Kadas's amendment came in at 90% it states to 90% without a local choice, 90% to 100% is a voted levy. At the present time in the bill there is the option between 80% and 90% and a mandatory between 90% and 100%. That is the only place the voters are involved.

Rep. Simpkins said above 100% there is a freeze. Representative Kadas is correct, they can't go above that, but it is a voted levy on anything up to that point. Anything above 100% will have to go to the voter.

Senator Brown said some of us have wondered, within the 100% range and the 80% range, why the need to impose any caps as long as those schools remain in what would be the constitutional range, we shouldn't be too concerned about where they are in there from a policy standpoint. You are looking at how this plays out in Montana with the voters, and that is the basis for that thinking. It is whether you feel the voter should be either in or out of this model.

Rep. Kadas said he had worked on the caps a lot. He went back to '89 and looked at what we did there. We increased permissive

significantly, most schools took full advantage of it and he did not fault them for that. He believed if we increased the permissive up to 90% and the GTB up to 80% you would see some significant movement. The impact it will have on local taxpayers concerned him. He said an increase of taxes was fine, but it should be done in small increments, not in big hits and that is why he supports the caps.

Senator Blaylock asked if he would include those below 80%. Rep. Kadas said he would. We have allowed one major feature of flexibility in this, and if we change the capping mechanism to just 104% of the previous years budget to 104% of the previous years ANB, that provides a great deal of flexibility for a growing district. 4% in these times, which is the rate of inflation we are dealing with, is pretty good, and you can go ahead and use that. If you feel uncomfortable with that, make it 5% or 6%, so it is clear they catch up faster, but opening it up, he was concerned about the effect on most voters.

Senator Waterman said she had asked the Legislative Auditor's office to run the numbers and if we went to 100% it would take $5.5 million the second year and about $6 million in the first year if everybody went all the way. She mentioned this might be to 80%.

Senator Stang mentioned that Ms. Fabiano said there had not been any models run on the weighted average GTB, and it was his understanding that the Auditor's office has run quite a few proposals using the weighted averages. Mr. Gillett said yes, at the request of Representative Ellis they did run the system with a weighted GTB system in it versus the current system and have done a number of analysis at the request of different legislators on what the effects of that are. That information is available to this committee if you are interested in seeing it.

Senator Toews said we are talking about non-levy revenue and he understands how that applies to license plates etc. Do you keep tuition in there, or do you have a way of separating tuition out. Mr. Gillett said under the current tuition, he believed, was a non-levy revenue source and is treated like any other non-levy revenue source.

Curt Nichols, Governor's office said he was present to listen, observe and answer any questions the committee might have.

Representative Boharski commented on the caps. He said one thing you want to remember is that as the bill is before you, the new GTB level is 161% of the current GTB level. To the extent that Rep. Kadas suggested when we implemented HB 28 in 1989 and the schools took advantage of it, there is a much greater incentive to take advantage of it at this point in time because you are at 161% of the current level. The motivation that was there before is much greater now.

Chair Blaylock asked Andy Merrill, Legislative Council if there was anything she could add in regard to problems this committee has to solve. She said there are a number of small items, but you are working on the big items now. We are collecting comments that people have been making about technical glitches or improvements and we will probably be getting more of them as you solidify your ideas. The OPI probably has some suggestions for each big choice you make.

Chair Blaylock asked Ms. McClure for a list of policy questions this committee has to solve and she passed them out. (exhibit 4)

Ms. McClure said after the hearing on HB 667, Senator Blaylock had asked her to prepare a list of policy decisions based on 667 as it sits before the committee. These questions are things that came up during the hearing about changes they wanted or did not want, amendment they wanted in or out concerning 667. It is not about putting the foundation schedules back in, it basically deals with 667 as it came over from the House. She commented that these are from her notes and she tried to put as many as she could down. The one comment that is not listed is that these are public policy questions and there was a public policy question about 874 funds; it is not that 874 funds are not important and need no discussion, it is that coming out of the select committee and coming out of the House as well as the hearings, the policy question on 874 was consistent that it be outside the model, set aside and not be jeopardized in any way. If that is not being accomplished, it would be something that is needed to work on as far as the structure, but the policy decision has not changed and that is in. These are not in any particular order of importance, simply questions that were raised and obviously if you make some decisions, it will affect some of the other questions.

Chair Blaylock said if we take up some of these things, there could be some affect on some of the other decisions down the line. Ms. McClure gave the example of #15, weighted GTB, which would affect how you will do GTB, but some things stand alone such as capital outlay in, transportation in, etc. if you want to bring some things in from SB 432 and whether you want the Wanzenried amendment on or off, etc.

Chair Blaylock said he had been spoken to by Tom Biladeau, Montana Education Association (MEA), and they have a big concern. He asked Mr. Biladeau to briefly tell the committee of his concern so we can get the issue into the "mix".

Mr. Biladeau said there has been a handout provided to the committee regarding the various capping mechanisms in HB 667 as presented to you from the House. (exhibit 3) He said the MEA believes the caps are excessive in 667 as it presently exists. He counted a dozen different caps that are available to districts that play out very fortuitously and peculiarly for districts according to where you happen to lie in respect to some magic line. He would direct the committee's attention to the

information at the bottom of the table in the foot notes. This does not show up immediately in the spread sheets as you review them. As they started looking at this, and comparing it to HB 28 and where districts lie in respect to the state assured GTB assist at the 135% cap line, one thing which became clear was that 112 districts currently enrolling about 37,000 Montana students, roughly 25% of the students in the state, are assured a higher level of budget with state supported GTB under HB 28 than they would be under HB 667. Currently, there are a good number of districts, including Billings Elementary (for example), that are assured of state GTB support in a higher level than they would be afforded under HB 667, and that is a concern.

Mr. Biladeau said in respect to the caps, more specifically we talk about districts that would have to be frozen, those that are over the 100% level, and we count those districts up and see they are a relatively small number of districts and students in the state. At some level, we believe that may be a necessary evil we need to deal with and accept. We, as well as everyone in the educational community, do not believe that it is necessary or makes any good sense to force those high spending districts to budget down. As we found out in the first underfunded school litigation, the Colstrip School District is not running a frill district. Those programs are thought to be a quality program we would like for every student in this state to receive. There is no reason, in the name of equity, why we must force them to deconstruct that program. We believe the most we should do is to freeze those high spending districts as they are and have the cost of inflation be the penalty paid by those districts over a period of time. It is too great a burden to also impose the budget reduction on them over time.

Mr. Biladeau said there are a lot of districts that lie within 96% to 100% range, and while not immediately apparent, but very practically felt by those districts, is that they will not even have 4% growth available to them in year one of HB 667. Under the capping mechanism they can only go up to 100% and those 129 districts, would not have 4% growth available to them. He said those figures included those above the 100% level as well. There is a good number of districts, and he believed the Auditor's office or our office could provide the list. There are many districts that will not even have the capacity available to them to meet the cost of inflation in year one. That number just grows in year two, fiscal '95, and they believe that is a serious problem. Additionally they believe there is a value in creating a system of school finance that can be understood by taxpayers, legislators, administrators and school employees. He said they believe it violates that principle when you establish 12 different caps, and to have caps that would apply differently in respect to the same number of growth dollars, 4% for example, according to where you are in respect to the 90% line. The first 2% you pick up would be done permissively, the remaining 2% would have to be put out for a voted levy. They believe it violates the interest of local control and also violates the interest of

those districts in running their school district in the way that makes sense for their educational program needs within their budget.

Chair Blaylock asked what the MEA position on whether they preferred to stay with the old schedules or go with this model in HB 667. Mr. Biladeau said they recognize in the reality of this session that those existing schedules are likely to be devalued. If that is our choice, we would prefer HB 667 rather than the existing schedules. There is still potentially an analysis that could be done and schedules that could be built that would build in GTB support for those scheduled costs which would maintain the same state dollar cost and still use the existing schedules. He said that could be done, it has not been done and we support HB 667 as it appears before you today.

CAPS: Those above 100%

Senator Blaylock said because there are so many questions, he did not believe it would be wise to say we want all the caps or we do not want any caps. This is one of the things that has been spoken about the most and said he would open discussion on the first one, those caps above 100%. The question is do we freeze them or try to bring them back down to the 100% level.

Senator Waterman said she believed they should be frozen. They are going to have to eat inflation as is, and it has always been a position of those who have been involved in school funding suits that they did not want to equalize downward. She did not believe anyone wanted to damage the quality of education, and did not believe there was any evidence to show that districts are spending money frivolously. She believed those districts that are high spending districts are providing an excellent education, it should be what we are striving for and we should not penalize them. She said she would advocate they be frozen.

Senator Stang said he would echo what Senator Waterman said.

Senator Toews agreed we need to freeze them. She did not think it would hurt the schools particularly and felt the right thing would be to put a freeze on.

Senator Hertel said he agreed that freezing is the logical thing to do. He did not quite agree with Senator Toews, he believed it could definitely hurt the system to force them down. He had visited with a few people who said it would have a big impact on their school systems if they were forced down. He realized it would make a longer process out of it to freeze them, it would be much quicker to get them into line to lower them, but felt lowering them would be a drastic move. He thought it would be easier and a lot more equitable to freeze them.

Senator Brown said over the course of several years, if you did freeze the ones above the 100% level, in 4, 5 or 6 years, most of

them would be back down to that level or near that level because the others would be able to move up. He did not know where this leaves us from the standpoint of the law suit. He did not know if they would be considered atypical anomaly speaking and that we would not have to consider it statistically, or whether they would be important. He thought perhaps Mr. Melby had a comment on it.

Pat Melby said he had stated on the hearing Wednesday that it has never been their position to equalize downward. Their roles have been to provide for equalization, per-pupil spending and taxpayer equity as well as providing quality education. They have always taken a position on bills before this legislature that they did not want to require those high spending school districts to reduce their budgets. Their feeling is if they can get a bill crafted in the Legislature that truly equalizes, it doesn't have to equalize tomorrow or in 3 to 5 years, but if it equalizes in a reasonable period of time, say under 10 years, that would be satisfactory. If a bill comes out of this Legislature that doesn't equalize, it would be a travesty to require those higher districts to spend down. It is their position that they should not require those districts to spend down. He believed if there is a bill that goes before the Court and the Court can see that over a reasonable time there will be equalization, the Court will not strike that legislation down as unconstitutional simply because there are a few school districts that are frozen above that 100% level.

Motion/Vote: Senator Stang moved that the answer to question # 3, exhibit 4 would be YES, that we freeze the schools above 100% and not require them to spend down. The motion CARRIED unanimously with Senator Van Valkenburg absent.

Those between 80% and 100%

Chair Blaylock said we should keep in mind that those that are close will not be able to use the 104%, only a 2% if they hit the 100%. There are also those concerns that we should keep them there. The question is whether we should retain caps within that 80% to 100% or take those caps off.

Senator Stang said the bill, as written, has the caps between 80 and 100%, the Kadas amendment that has no caps between 80 and 90% but has caps between 90 and 100% are not on the bill, so we have two options here. We can cap everything between 80 and 100% or we could look at the 80 to 90% being uncapped and the 90 to 100% being capped. He asked if that was correct.

Tom Biladeau said between 80 and 100% districts will grow by 4% a year under the bill. That growth is by permissive vote of the Board up to 90% unless the Board elects to allow the voters to vote it. You have a 4% maximum growth entirely permissive, up to 90% if the Board chooses it to be permissive but they can elect to make it voted. From 90% to 100% you have a 4% growth allowed,

it must be voted.

Senator Hertel asked why would they, up to 90%, even consider anything but permissive. Why would they want that to be a vote of the public. Mr. Biladeau said this has arisen in only one community he was specifically aware of and the logic of it had escaped him. A worst case scenario which is actually played out under HB 28. You have districts that have had levies go out and fail. That not only hurts them in that immediate year, but because of the capping mechanism based on the budget of the prior year, it hurts them permanently in future years. He said Senator Gage had a good bill earlier to allow the recovery of some of that loss. This bill, as it stands now, would perpetuate that problem.

Senator Brown said as he understood it, the logic of this is that the 4% is basically designed to reflect the cost of living. We can say that the Board, within this range of 80% to 100% where we want all the schools eventually to be, can just compensate for the effect of inflation with the cost of living, to generally define that as a 4% increase, without having to go to the vote of the people. They can maintain their level of education and if they want to go beyond that, they should have to go to the vote of the people to get the money. That apparently was the beginning philosophy of this idea before we got into the theory that the Board may want to get off the hook and defer the matter to the people, or when we drew another line in the 90% range which he did not quite understand.

Mr. Biladeau said he did want to make clear to the committee that the bill, as it presently stands, does not allow that authority of the district to grow by more than 4%. That 4% growth is hard and absolute, the question is whether or not you can get to 4% entirely by permissive vote of the Board, or if by choice of the Board also submit some of that 4% growth to the vote to the local voter. The other question is if you would somehow cross that 90% line, then by mandate, expect that some portion of that 4% growth be subjected to vote. It has no fiscal impact to the state since it has no GTB assistance above 80%.

Mr. Gillett said within this 80 to 100% range, one of them is in question #6, that the 104% caps, either per ANB or in total, between 80 and 100%. The other issue is the amendment Rep. Kadas put in on the floor of the House which would be voting any amount of your budget over the 90% level. That vote does not come in during the first year, FY '93-'94, but in FY '94-'95. That probably is the second issue. An additional issue when you get to vote, is voting whatever portion of the budget is above the 100% level. The final issue is the optional vote in the 80 to 100% range. Each of those came in at a different point in the process, so there are probably four issues that might be easier to deal with separately than trying to throw them all into one issue.

Chair Blaylock asked if it would meet with the committee approval, that the first decision would be, should we leave those caps between the 80 and 100% range just as they are now, or get in and do some changing. He asked the committee for their opinion on this.

Senator Toews said the 4% was a good thing, because in his perspective, many of the schools and districts are not being run by the Board, but rather by Superintendents. He has also sat behind the 4% curve where you keep doing this 104%, even though you don't need the money, just so you don't get behind the curve. He believed he would be for taking the caps off between 80 and 90% if he could get the protection in for the vote of the people on the last 10%. He is for taking the caps off. Chair Blaylock summed this up as wanting to go in and change it, Senator Toews agreed.

Senator Waterman said she had a question within the context of this which was how does current level play into this. Is there a way you have to vote above your current level but could remain at your current level, if you are in that 90 to 100% range without going to a vote. Mr. Gillett said that is not in the bill now. If you are at 95% and your desire is to stay at 95% in the ensuing year, under the provisions of the bill as they exist today, you would need to vote the amount between 90 and 95%. If in the following year you wanted to remain at that same level, you would have to vote that level again.

Senator Waterman said at some point, as we decide these issues, we need to talk about what that does, or the implications of that this first year, where people may have already voted levies. Will they then have to go back and vote again, or will they stay at current level. Mr. Gillett said under the bill, as it exists today, there would be no mandatory votes for any budget level in the first year. There would still be the optional vote between 80 and 100% if the trustees so chose. Rep. Kadas's amendment goes in the second year.

Representative Kadas said he did want to make the point Mr. Gillett just made. You should understand you have a 5th policy decision that, under the bill as it is now, you can go to 104% of where you are now, without any vote the first year. Wherever you are, you go by permissive levy. Even if you are above, if you are at 120% you can go there on permissive for the one year.

Senator Stang said he could see the problem a lot of school districts have. He did not have a problem with caps and could go either way, but he believed the point we need to focus on is that if you require them to do a voted levy, the districts have to go back to step 1 to vote the levy. He did not believe the people understand that when they vote on it. They always think they are voting on an increase over and above where they are now, and people tend to vote no. If we are going to fix this so they have to vote over the 90%, which he agreed with because it makes the

people get involved in the process, he would like to see this amended so that they don't have to go back and redo what they got the year before. They would not have to vote what they have, but would have to vote any increase above what they have.

Chair Blaylock said before we do that, let's go ahead and see if the committee wants to make changes between the 80 and 100% range. He asked if there was any objection to saying we are going to go in between the 80 and 100% and do some changing. That decision was agreeable to the committee.

Senator Waterman said she would like to remove the optional vote between 80 and 90% and make it permissive.

Senator Brown agreed and believed it was putting the school board in an awkward position when you have one group of people come to the Board meeting and demand a vote and others saying just do it yourselves. He believed it should be clear, one way or the other. It should be clear in the law whether those in the 80 to 90% range have the permissive authority to do it or whether they have to go to a vote.

Senator Waterman said she would advocate that it be permissive at least between the 80 and 90% range. She said the list gives the range between 80 and 100% and she would like to split that.

Motion/Vote: Senator Waterman moved that we eliminate the optional between the 80 and 90% and that be a permissive levy. The motion CARRIED unanimously with Senator Van Valkenburg absent.

Senator Stang said he would like to propose something between the 90 and 100% which might solve some of the mechanics. If you allow a school to go within 104% of their previous year's budget between the 90 and 100% by permissive levy, they automatically get the 4% increase. If they are at 92% they can permissively go to 96% without a vote of the people. If they want to go to 100% they have to vote the 4% difference. That puts the 4% cap on them but it makes it easier logistically than the way we discussed this before. That way they do have the permissive vote up to a cap level of inflation that we are assuming 4% and anything they want above that would have to be voted.

Tom Biladeau said this would be another compromise, one that gets us away from the down side of establishing this 90% number. Basically you would allow districts, by permissive vote, to assume the rate of inflation, 4%. You would allow them to grow 4% over their prior year's budget or 4% of the prior year's budget for ANB. In Senator Stang's example, if you have a district that is at 88% they could only go 2% by permissive and then would have to levy the additional 2%. What is being proposed as a compromise, is that all districts, irrespective of where they are between 80 and 100% can grow by 4%. If they wish to grow beyond that, they must submit it to the vote of the

people. They could go up to 100%, only 4% by permissive levy and the remaining 16% would have to be by vote of the people. This would allow districts to maintain an inflation adjusted permissive budget in support of their program and still allow school taxpayers to vote on anything more.

Senator Waterman said with the last motion we said if your district is at 76% you can go to the 90% by permissive levy. If that same district at 76% wants to go to 100%, they would then have to vote between the 90 and 100%. Mr. Biladeau said that was not correct and Chair Blaylock asked him to run through that starting with the 88% again. Mr. Biladeau asked if Mr. Melby could answer the question since he might have missed the point Senator Waterman was trying to make.

Mr. Melby said with the vote the committee made a few minutes ago, it is now permissive to 90%. With what Senator Stang is proposing, above 90% a school district could go to 104% of their last year's budget with an additional permissive levy. If they were already at 90%, they could go to 94% with permissive levy and above that it would have to be a vote of the taxpayers.

Senator Stang said the other example would be that if you were at 88% and you want to go the 104%, you could go to 92% permissively, but if you wanted to go to 94% you would have to vote the next 2%. Mr. Melby said that was correct. Senator Stang said that would work for the schools that were right below the magic line and would give them their 4% inflation factor without having to go to the vote of the people.

Senator Waterman asked Mr. Melby if you were at 80% and you are going to go to the 90% permissively, then if you wanted to go up to 94% or so, you would have to vote that 4% and Mr. Melby said yes.

Chair Blaylock asked Mr. Melby if he correctly understood him as saying in using the 80% he was suggesting you could go permissively from the 80% to the 90% in one year. Senator Waterman said yes, and then you could go above that if you wanted, but would have to vote that. If you start at 80% we allow them to go to 90% permissively and if that district in one year wanted to go to 100% they could do it, but they would have to vote whatever they do beyond 90% because it is more than 104% of their last years budget.

Mr. Melby said if you have two school districts that are the same size, one has a wonderful program at 100% and the other is at 80%, and the one at 80%, the trustees, taxpayers and voters want to do the same program as in the other school district, they could do it only by permissive to 90 and then submit the 90 to 100% to the voters.

Senator Brown asked if they would go by permissive from 80 to 90% in one jump and was told that was what we just did in the

previous amendment. Senator Brown said he did not understand it that way, he understood we would let them get there in 4% increments. He said it made sense to him to allow the trustees to keep pace with the cost of living without having to go to the vote of the people within the 80 to 100% range. Anything beyond that should be voted on.

Mr. Melby said if that was the desire of the committee he would propose this vote above 90% be eliminated and you simply say that any school district between 80 and 100% can go to 104% of last year's budget. It is the 104% that does not make any sense. Why prevent a school district from improving their programs.

Senator Brown, said if it is locally voted and does not cost us any GTB money over the 80% why should we care if they want to do it, within the 80 to 100% range. He did not believe the school board should be allowed to permissively raise the level of spending from 80% to 90% in one jump. The only rationale for allowing the school board to raise people's taxes would be to maintain the program, just the cost of living without a vote of the people. If he just voted to do other than that, he would want to reconsider the motion.

Representative Boharski said what Senator Brown is suggesting right now is a drastic simplification of the process. He is basically saying you take 104% of your previous year's budget or the ANB budget, permissively. Other than that you would vote everything in the range and you would not have to worry about people skipping over the lines between 70-80 and 80-90. For simplification purposes that proposal is much simpler than the way the bill is crafted right now.

Senator Stang said that would be the way the bill was crafted before the Kadas amendment went on that dealt with it over 90%, except for the fact there was an optional deal there with the permissive and voted and we want it to all be permissive.

Representative Boharski said not exactly because the way the bill is, even with a vote, you cannot go beyond the 4% the way the bill is crafted. Senator Brown is suggesting you allow the vote to go beyond the 4%.

Senator Toews said if you have an elected group of people and it is not costing the state any money, he did not see why we should not let them move within that 20% frame. The other problem is that we have this idea they will automatically have this 4% growth feature and our schools must spend more each year. In some of the those he has worked with they have come in with efficiencies, maintained a decent program and were able to cut back substantially. That is where the caps would always get us in trouble, because we could never get the money back for the people with that 104% cap on it. He did like blocking this off in two segments, let them work with the permissive that would give the school board some room and yet holding the top to be

somewhat responsible to the public saying they are involved, you will vote. If they get behind because of some circumstances, they will not be caught behind the curve, they can come back two years later and get back to speed.

Senator Brown asked if he was drawing the line between the 90% level when you say two different increments you will involve the voters in the second half. Senator Toews said 90% of this 100% will run a school system. It may not be as what you want, but by losing a school election, your system will not die.

Senator Stang said he was somewhat inclined to agree with Senator Toews. If you are at the 80% level and one year for some reason, you use some of your Bonneville Power money in your budget and are at the 89% level, or decide not to spend it and go back to 82%. All of a sudden you realize you should have stayed at the 89% level because you are having trouble. If you leave the 4% caps on you can only go back to 86%. This would give them the ability anywhere between 80 and 90% to run the school at whatever percentage they think they can. If they want to run it over 90% or over the 4% with the vote of the people, it gives them a little more flexibility. With the 4% caps below that, we have always forced the school district to say we have to go to the caps because if we don't and run into trouble next year, we can't catch up.

Senator Brown said your assumption is that the local voters would not want the district to catch up. The Board can still permissively levy a 4% increase, but if they wanted to catch up faster, and thought they could get an additional 3% or 4%, that part would have to be voted on. He believed Rep. Simpkins made a point when he talked about not wanting to get into any big trouble with the voters. If you go much beyond what is some reasonable cost of living increase, and allow the Board to do it permissively, you will have real problems with the people in the school district.

Senator Stang said it does that above 90% with his amendment and the smaller school districts, sometimes the relevant factor is not what the education of the kids is, but it is whether the coach did the right thing at the basketball tournament or the superintendent has made somebody's mother mad. In a small town you can lobby against a mill levy and the vote is small enough to often make it work.

Senator Van Valkenburg came in and Chair Blaylock brought him up to date on committee action to this point.

Senator Van Valkenburg asked, when you decided to use the HB 667 model, you mean not only use the bill but also use the mathematical formula for per pupil funding as opposed to using something more akin to our basic schedules. Chair Blaylock said we have not made that decision yet.

Senator Brown said we are looking at the area between 80% and 100% and trying to determine how we would cap it, if we would cap it, and if so, how we would do so. The assumption is that the 4% growth rate is roughly commensurate with inflation so you might allow the school board to levy up to 4% without going to the vote of the people. When you get across the 90% threshold, then maybe we ought to allow the people to vote. It does not cost the state GTB money in that area and it would be a local call if they wanted to increase their taxes.

Senator Brown said he did not understand that the vote taken was a clear vote between the 80 and 90% level. He thought we were allowing the Board to impose 4% increases up to the 90% level without a vote of the people. He did not understand we were going to allow the Board to jump from 80% to 90% in one jump without the vote of the people. He said his view beyond that is much the same as he understood Tom Biladeau. If they were at 80% and jacked it up to 85% and placed a measure before the people to go to 100%, if the people voted for this additional 16% on themselves, he would have no problem with that. He said he was not sure what bells go off when you cross the 90% threshold. He could not see the importance of the 90% level.

Senator Hertel said if we retain the 90% level and can use permissive action going up to the 90% level, won't we have all the schools at the 90% level the first year. Isn't everybody going to attempt to get to that 90% level.

Senator Val Valkenburg said we have the experience of knowing that doesn't happen in HB 28.

Senator Hertel asked what would stop it. Senator Toews said there are conservative Boards and they are the ones that tend to stay down and are there because they want to be.

Senator Blaylock said he believed what Senator Toews said is correct. There are some school districts in the state, one he knew of in the western part of the state for 20 years never voted a special levy. They turned down every one of them.

Senator Waterman said because she sensed there was some confusion on her motion between the 80 and 90%. She asked if they could make it in a little smaller step, eliminate the optional, but discuss the cap again.

Motion/Vote: Motion by Senator Waterman to reconsider her motion on caps. Motion CARRIED unanimously.

Motion: Senator Waterman moved that it not be optional or permissive between 80 and 90%, that it simply be "permissive" between 80 and 90%.

Discussion: Senator Waterman said we could talk later about how much could be permissive, but the optional will be eliminated

between 80 and 90.

Senator Brown said he would agree with this amendment, and thought that was what he voted for before. He filled Senator Van Valkenburg in by saying there was an amendment placed on the bill that would give the school board the option of whether to vote or not to vote on the little 4% increments. It was his thinking that you put the school board in a tough position when you do that. He believed it should be made clear in the law that they can levy up to 4% if they choose and anything beyond that has to be voted on.

Senator Waterman said her motion is that whatever it is, ultimately we decide whether we stay with the 4% cap or whether we take it off. If it comes in the 80 to 90% range, whatever decision this group reaches on how much you can go up in that range, it will be permissive.

Vote: Motion CARRIED, Senator Brown voted no.

Chair Blaylock asked if we want to continue and say in that range they could only go 4% in any one year permissively or in any other range.

Senator Brown said the logic of the 90% escaped him and Senator Waterman said having served on a school board, she shared Senator Toews concern. That almost becomes a floor and you have to go the 4% and it becomes a target and you just do it. She said she knew some school districts do that and wouldn't if the 4% isn't there. Chair Blaylock agreed that this happens, and there is a pressure on the school board. They believe they have to go the full 4% when they really are not sure they should do so that year.

Representative Boharski said there is an issue in this range that hasn't been brought up. If you allow a district to go beyond 4% in the 80 to 90% range and don't allow the district to go beyond 4% below the 80 range, it is not very fair to the person who is below 80% but you can't release the person below 80% if you are going to worry about the dollars. You might want to keep that in mind when you make a motion to let them go beyond 4% between 80 and 90.

Dori Nielson, OPI said she would like to enforce what Senator Stang has said, that there are a lot of small districts in the state, some with two teachers or three teachers. If one year they have three very experienced teachers turn over and hire three very green teachers who are paid a considerable amount less, a tremendous amount of their budget was in those salaries. You will put them in a position of saying if we don't go the 4% we will lose it in the future and as the salaries go up, the budget expenses go up. In some instances you have almost made them budget that money into their schedules.

Senator Stang said Representative Boharski had brought up a good point, and perhaps before we consider what we do between 80 and 100% we better figure out what we are going to do with the schools below 80%. Are we going to cap those schools to the 80% level, if so then do we cap them between 80 and 100% and if we do will we have an inequity in the system. If we do not cap those below 80% this is a pertinent discussion, if we do cap them this could be moot.

Chair Blaylock asked Mr. Gillett if he had run any numbers on those below 80%. He asked if we "turned it loose at the bottom, what would it do. Mr. Gillett said Senator Waterman has the numbers.

Senator Waterman said in '94 you go from approximately $368 million to $374 million which would be $6 million if everybody went all the way. It would be $5.5 million in '95. She said she agreed with Senator Toews that everybody would not go all the way and the financial impact would not be that great. It was difficult for her, having agreed to freeze the high spenders and not force them down to say at the other end that they can't come up. If we are ever going to reach equity you have to let those low spenders come up. For sure, she would not limit them to the limit that is now in the bill, it has to be faster than that. She would advocate they leave it to the local control and let the trustees decide it below 80%.

Senator Stang asked what the lowest percentage school is at and how many schools are there below that. Chair Blaylock asked if everyone had the blue copy and it was handed out. (exhibit 5)

Mr. Gillett said the lowest school that will be found there is probably in the mid 50's.

Chair Blaylock asked if these were small schools and Mr. Gillett said there were probably some schools that are in the 100 to 150 ANB role, which was his recollection.

Chair Blaylock asked Ms. Fabiano if she had any thing on this and she said she did not have on this model, but could tell him that not all districts are at the 135 limit currently. They have a few school districts that don't even spend the foundation program.

Al McMillan, Superintendent at Townsend and a member of the select committee that has been monitoring this presented one more perspective on the cap below 80. Townsend is about 750 students but they have heard a lot of discussion about prudently spending budgets and Boards being aware of their constituency. Townsend has only used the amount of the permissive over the last three or four years that they felt necessary. They do not want this bill to come into place and be punished for that. They too, could have gone to 135% and would be sitting better now. They believe the schools below 80% need to have the right to be at the minimum

for equity as soon as they can and he realized the restraints of money. Townsend would not jump immediately, but would take from that area the amount they needed for the projects they believe are important in their district as they have done with the 135%. We are one of those schools that would be better off with the 135% under HB 28 with a 5% hit. If the school board had the local control latitude to go up to that 80% as much as they need, we would be fine, but believe you should consider giving that latitude to the local boards below 80%.

Chair Blaylock told Mr. Tognetti that he was from one of the areas where there had been a great deal of reluctance on special levies in some of the schools and asked him how he felt about those schools that are below the 80%.

Tony Tognetti, Stevensville Schools, said they are below in both the high school and the elementary and would echo Mr. McMillan's sentiments, that he feels their boards have been responsible. Everybody does what they think is best for their community, but as a result of doing that we have been locked in this cycle of not being able to catch up. He felt 80% should be absolutely allowed in terms of allowing the schools that are below. The local control boards are responsible, if you are in the Bitterroot Valley and not responsible, you will not be on the Board.

Senator Waterman asked if she was right in the assumption that there would be Boards that would not just jump to the 80% level. She asked if, being one of the districts below, and they take the caps off below 80%, if he saw everybody going to 80% the first year. Mr. Tognetti said he did not see everybody going there, but did see a number of them doing so. He said his district is suffering as a result of where they are at now and we need to be at least to 80%. He said he has growth that is taking place. We have 230 junior high kids in a 175 unit school. Things are going crazy and we are trying to add a metal building to try to house these things out of our general fund. They have tried to stay up with growth because bonding has not been adequate. They can bond for $3.4 million, we are in need of a new high school and cannot go anywhere because $3.4 million will hardly buy the metal shed we are looking at to put students in. Our elementary is at 75.08 and our high school is at 71.71 and he did not think it unreasonable to go the 8% on the one and 5% on the other to help. They are in need of more staff members, their classes are over crowded and they can't do anything, but the kids are there and we have to serve them next fall.

Senator Stang asked, if we remove the caps up to the 80% level, is there anything in the bill that forces the schools to get to 80%. Senator Waterman said yes, she wanted to keep that in the bill. Senator Stang said if it forces them to get to 80%, why wouldn't they do it in the first couple of years. The question is, if we put the caps in, are we prolonging inequity or not getting to equity as fast as we should be whether it costs the

state $12 million or not, will we ever get to equity. He said we are not equal now and the reason we are not is because we are worrying about the spending. This bill gives some control over how much school districts spend state wide and if we force them to the 80% level does it mean they have to do it the first year, or is there a set time in the bill. He was told 5 years.

Chair Blaylock said as he understands it, and this is where the money starts to come in on these decisions, $40 million has been cut out of the Foundation Program by House action. We are talking about taking the caps off below 80% and that will cost more money but we should be aware as a subcommittee that we will have to do something. We will either have to have more tax money or take the non-levy revenue from all over the state, bring it up here and redistribute it.

Senator Van Valkenburg said the Senate has done something in that regard. We passed SB 436 which puts $30 million into the school equalization account in the coming biennium on an ongoing basis. That is where the Senate ought to be, of saying is money available, yes it is, and if we are going to work on this bill, we should be making that presumption.

Motion: Senator Waterman moved we remove the caps below 80% so that districts can go to 80% as quickly as they wish, but that we leave in the mandatory language that forces them over the period of 5 years to reach 80%.

Discussion: Senator Waterman said they have to reach 80% in 5 years, but can reach 80% faster if the Board wishes, through a permissive levy to do so.

Senator Brown said if we require them to get up to the 80% level within 5 years and give the Board the permissive authority within 4% increments, how does it work now. If you allow the school board to just permissively jump them up there in one jump, you are putting a strain on the budget from the standpoint of the GTB and you invite a lot of hostility on the part of the taxpayers in these school districts. There is a kind of time honored tradition in this state that if your taxes go up significantly, you ought to have a chance to vote on them. In most cases the school boards probably would not take that jump, but you do invite trouble when you place them in that position. He said if that motion could be amended to use some step by step process making it permissible to let the school board get them up to the 80% level and then if the voters in the district wanted to vote on the issue it would be okay but he was not sure about the whole thing from the standpoint of the budget.

Senator Waterman said that is what the whole law suit is about. In those districts, often times they have such low property wealth and their voters simply do not have the ability to vote themselves those taxes. We just said if you are high spending, we will let you stay there. She believed there has to be

something in this for the low spending districts.

Senator Toews said he is for taking the caps off below the 80% level. In response to Senator Brown's objection that if you are going to raise the taxes substantially, the voters should be able to vote on it. If we pass this bill, with or without adding revenue to it, we are going to many districts and raising the mill levy substantially and will see no gain. There are many school districts in his area that will pay substantially more and see nothing more for it. He thought it would eventually break down the ability to vote on every tax increase.

Senator Van Valkenburg said in terms of restating this, it would be possible for a Board to get to the 80% level immediately by virtue of a permissive levy assuming that local levies are the way you do this, or in the alternative, the state would force them to go to the 80% level within 5 years. He was told that was correct.

Representative Kadas said there was one other complicating factor which he believed was taken care of in the bill. If your district was at 77%, you don't want to limit them to go to just 80%. You would want to say they can go the minimum of 80% or 104% since you don't want to put that district in a box where they can only grow 3%. He said they had it in originally, but in changing it you probably want to make it clear that it stays consistent to the original that if they are close to the 80% the cap that affects them is the 104% not the 80%, whichever is the greater.

Motion amended: Senator Waterman said that language would be included in her amendment.

Representative Boharski said that Rep. Kadas made a good point and you will now have to decide what you are going to do between the 80 and 90%. If this motion passes, he could not see any other way than to repeal all the caps.

Vote: Motion passed, Senator Brown voted no.

Chair Blaylock said the question now is do we want to make it a permissive area between 80 and 90%, a permissive area with a cap, or a permissive area with a vote.

Senator Toews said he did not want a cap. He would rather hold the whole thing low and run it without caps and if people need more money for their special athletic funds or whatever they can vote it, he did not want to run with a bunch of caps.

Senator Stang said you are talking between 80 and 90% or 80 and 100% and Senator Toews said between 80 and 100%.

Senator Stang said he would agree with Senator Toews up to a point, then he goes back to the point where you need the public

involved in the vote somewhere along the line. He would support the concept that we make it permissive with no caps between 80 and 90% and allow them to do that. When we get over the 90% level we can discuss whether that should be a voted, permissive and voted or the whole thing voted. He believed schools would not automatically go from 60% to 80% permissively because the school board is responsible, then they probably will not go to 90%. He believed school board members would catch a lot of heat if they did, because if they raise taxes substantially on some of these people they would have trouble, and yet it gives the flexibility needed in the case Ms. Nielson mentioned in regard to experienced teachers and inexperienced teachers. He would support a motion that went to the 80-90% level, but believed there needs to be some voter involvement in the whole process.

Senator Brown asked what the significance of the 90% thing is. The 80% is where we become constitutional and he understood what the 100% is, but did not understand the 90%.

Representative Kadas said the 90% was chosen because it was half way between. He was tempted to require a vote on everything above 80% but knew that would not pass in the committee he was in, and split the difference.

Senator Brown asked what the rationale for requiring everything above 80% was. Rep. Kadas said at the present time if you look at most districts, it varies. Most districts that are above 85% are requiring voted levies now and he said if you eliminate those voted levies all of a sudden, people who have been voting on levies and suddenly are not people may be rather upset. Senator Brown said that was his concern also.

Representative Kadas said he would throw out one other idea he had. Senator Stang brought up the idea of using the previous year's budget as the permissive levy. Then it sort of got molded into using 104% of the previous year's budget so if you were at 95% you would not have to vote to get to 95%, you could just go there on permissive. There is some appeal to using the previous year's budget as the permissive and then allowing a voted for 104%. He said that made sense to him.

Senator Brown said he believed if you allow school boards to permissively levy mills on people's property when they have been accustomed to voting on these things, you are asking for trouble.

Senator Van Valkenburg said you may be asking for trouble, but we have had trouble and it is called law suits and we want to get out of these law suits. Senator Brown said if you are between 80 and 100, you are in the range where you shouldn't have any trouble with the law suits. Then it is just a question of what you allow the school board to do. He sort of liked the logic of allowing them to maintain their existing program, which the 4% lets them do and then over and above that, you ask the people for a vote. That could get us in trouble anyway, but at least there

is a rationale for that, you can say this is approximately the cost of living increase.

Senator Hertel said he believed we have to continue with some local control, some local decisions. He leaned toward Senator Brown's logic in this.

Motion: Senator Stang moved that the permissive levy will be between 80% and 100% be up to 104% of their current year's budget and anything over that 104% of their current year's budget between the 80% and the 90%, that they want, would have to be a voted levy.

Discussion: Senator Stang said with this, if a school is at 82%, they don't have to vote the 4% inflation factor, but if they want to go to 90% they will have to vote everything above 86%. This automatically gives them their current budget, gives them a 4% inflation factor without a vote, but if they want to go any higher than that, they have to go to the voters.

Senator Toews said you just went back and put a cap on me and forced me to spend more money.

Senator Brown said he thought he liked this motion, but would like to hear from Senator Toews again as to why he doesn't.

Senator Toews said you let us go to 104% of the previous year's budget. Therefore, if I ever want to do something good for my taxpayers, say a windfall of some sort, he could never go back to 80% because if he went back and wanted to go to the higher percent again, he could not do so without a vote.

Chair Blaylock asked if he wanted no caps, no vote. Senator Toews said he wanted a cap on the top and a vote every year on the top.

Senator Waterman asked if we could roll in the concept that is in Senator Gage's bill into this bill.

Clarification of Senator Stang's Motion: Senator Stang said he would like to clarify the motion so that it was either the previous year's budget, or the way it is written in the bill it has something to do with per pupil expenditures or ANB, so if there is a growing district and some district has 50 new kids, that it is the greater of the two. That way if you have a growing district they are not limited to their previous year's budget. It is the same way the bill is written now, but wanted to make sure it is understood as a part of his motion.

Chair Blaylock said it does make a difference in how you state these things, it can make a large change in a school district's budget.

Senator Waterman said she was still struggling with it. She did

understand what Senator Toews is saying and she was afraid districts would feel compelled to spend 4% a year, when they might not necessarily do so. She asked if she could ask if there were comments from someone on that.

Dan Nelson, Superintendent of Broadview, said he felt there was a misunderstanding that we always spend our budget. We don't always spend it. Presently there are many school districts that take their 4% automatically, but may spend less than they spent the year before and the taxpayer does get a break. That money is there to reappropriate the next year and the taxpayer gets his money back. It is good conscientious behavior and would assume that would continue.

Chair Blaylock asked him if he was saying he did not mind the caps. Mr. Nelson said he was only speaking to Senator Toews resistance to the 4%. He did not think it was as big a problem as it seemed to be.

Senator Hertel asked how the 104% would affect him. If you are getting some back, it would not affect you if it was still in effect. Mr. Nelson said he was not sure he understood the whole scenario. Senator Hertel said he was speaking of the 104% of the previous year and asked what would happen with the concept of your budget. Mr. Nelson repeated what he had said, adding they only spend what they need to run the school. He realized there are some school districts that spend to the last dollar, but did not believe that was the majority. You would take your 104%, if you did not spend the 4% you would have it for the next year's budget and it would save the taxpayers.

Senator Stang said to make it clear, if you had cash reappropriated that year and the next year you went to your 4% caps again, you don't need to levy as many permissive levies to reach your 4% because you have used the cash reappropriated to reduce the next year's levy.

Phil Campbell said one of the things that occurs to him under Senator Toews concerns, is that under the current system he is right, he would be penalized if he didn't stay up because he could never make it up. Under this bill, you could make it up, you just have to vote it beyond the 4%.

Senator Waterman said to clarify this, you can go to the 4% or the 4% above ANB permissively but then have to vote, and we are talking about between 80 and 100%. She was told that was right.

Vote: The motion CARRIED unanimously.

Wanzenried Amendment:

Senator Blaylock said this amendment currently limits all school administrative expenses to 95% of a 2 year average.

Senator Waterman said for clarification, this sunsets in 2 years.

Senator Stang asked if anybody had information as to what percentage administrative costs are of current school budgets and what are considered administrative expenses. He had heard from people from the teacher's cloak room to basket ball and asked if it could be narrowed down to what the administrative expenses are so we know what we will cut these districts.

Kathy Fabiano said presently, the Wanzenried amendment addresses three administrative areas. 1) The superintendents office and his/her staff, 2) The business office and staff involved and 3) Support Services. The Wanzenried amendment is specific to three function codes.

Senator Stang asked what was to prevent some of these administrators from moving some of these expenses out of those codes and into another area. Senator Van Valkenburg said GAP (General Accounting Principles). He believed that was what GAP was all about.

Ms. Fabiano said we define those codes in a policy manual that is distributed to all school districts and they are required by law to do their accounting in accordance with GAP and the school finance manual just referred to.

Senator Stang asked what the average statewide percentage of administrative expenses are and if 5% is a ball park figure or what would it be.

Dennis Craft, High School Superintendent, said the percentages will vary substantially by the size of the school. The larger school, the closer they could come to below 4%. We don't have any trouble with this bill other than concerns he might express to you from the committee. As you move into smaller units, you are still required by the accreditation standards to have certain administrative functions. Those functions will be a greater percentage of a per pupil cost than it would be as your numbers get larger. He said the concern he would ask the committee is, what particularly is the purpose because there are many functions in the superintendents office which includes the Board of Education, the business office and support services which are all related to instruction.

Mr. Craft said he would ask the committee to consider what specific you are after, and he believed the answer was that superintendent's salaries are too high. If you look at that across the nation, we are not competitive in Montana. If you would take the percentages of superintendent's salaries, and assistant superintendent salaries and run that against the total budget, you are not approaching more than 1.5% of the total budget. When you consider the costs in the superintendent's functions, part of that is an auditor's cost to audit the books that is covered by Legislative statute and asked if they really

wanted that cut by 5%. A number of those costs are set for different functions. Postage for the district is in the costs. He said it would probably be possible to take postage expense and put it under instruction, but it does not make sense to do so since it can be tracked so much easier in the appropriate accounts. Their question would be what specifically are you looking at. He pointed out that this should be the prerogative of the district and there is a great variety between size of district and the particular function in those particular areas. They are driven by a number of Legislative and Board of Education approaches.

Senator Blaylock asked if the dues paid by the different school boards to the Montana School Board Association counted as administrative expense and was told yes.

Senator Waterman said her feeling of why the Wanzenried amendment is there has nothing really to do about all these costs. It is public perception that administrators are over paid, that we have too much bureaucracy, the Governor ran on the statement that only 57 cents of every dollar goes to the class room and that is the perception. This is a perception amendment and she did not have any problem leaving this on to address the perception as long as it will sunset in 2 years. Her problem is the process of implementing it. If she understood this amendment correctly, it is not a percentage of the total budget, we are talking about the state wide average for administrators regardless of class. Ms. McClure said it is 95% of your own district, not state wide. Senator Waterman said if her district is spending 96%, then they would have to go out and vote for the 1%, we could tell the district they have to run a levy for this 1% of administrative salaries that might be $300. They do not have to run a voted levy in that district since they are within 104% cap, etc. They would have to go out and run a levy for $300. She asked if that was a possible scenario.

Andy Merrill said some of the choices made this morning puts that exact light on this amendment. That is a possibility since you have removed the need to always go for a voted levy and the caps.

Senator Waterman said if you were running a voted levy for over 4% for maybe $100,000 for the voted levy and $300 for the administrative salary, you would have to run two levies. She said there is more trouble with the structural things in this.

Senator Stang said with the amendment and with what Dennis Craft said, if Missoula County's expenses are 3% or 4%, what is to prevent the superintendent from Missoula county saying we are not spending enough on administrative expenses and could get their own raise through the budget. In a lot of those cases in smaller schools the superintendent is also the principal and the principal probably teaches 3 or 4 classes per day, and they could pay him more to teach and less administrative salary. He could see a lot of ways to get around this, it might make a lot of

people feel good, and appreciate the fact that this committee has a good mix of big and small on it, but he just could not see this amendment working.

Senator Van Valkenburg asked if there is anybody here who wants to defend it.

Senator Stang said there is one other thing we are up against and it goes back to the local control issue and the Board of Education issue. The Board is the one that has told school districts they have to have these administrators and tells them how many and who they need according to their accreditation standards. He said instead of getting after the administrators we need to work on the Board to relax these standards.

Senator Van Valkenburg said with all due respect to the House, he felt this was one of the things they do for show. If it is really important to them, we can go back and talk about it in a conference committee. He believed the Senate should take it out in it's entirety because he thought it was much adieu about perception. A lot of the problems with politics and government and everything else in Montana, is that we continue to not be honest with the people about what the real facts are. If the real facts are that administrative expenses are not out of line, then why play to the prejudice that they are out of line.

Chair Blaylock said Senator Toews had mentioned the power of the superintendents to influence the school boards. He believed it was correct, and if a Board hired a superintendent whose advice they would not take, they were making a big mistake. Superintendents do have a lot of influence with the school boards but believed there were instances in Montana where superintendents in effect, have given away their jobs. There are superintendents who say to themselves that they do not want to take care of the business end of running this school so they hire a business manager when they really ought to be doing that themselves. That is not true in the really large schools, but in the middle sized and smaller schools, they should be taking care of those things and saving that expense. He did not believe that could be fixed at the state level, but is something that has to be done at the local level. To the citizens who stand around in Laurel and complain, he has asked if they had gone to the school board and their answer is that they wouldn't listen to me. When we try to fix these kinds of things at the state level, we probably just muddy the situation.

Senator Brown said he would echo the comments of both Senators Blaylock and Van Valkenburg. This issue worked real well for Dave Wanzenried in the election, and the reason it did is because there is a perception out there that we spend money on extra curricula and administration and not enough on educating kids. People have heard that repeated so many times that it has been repeated as a fundamental truism. Senator Toews is right, they can get around it by shifting money or doing something. If this

is a big deal to the House, assuming this bill goes to a conference committee we can talk about it then and believed it could be easily pulled out.

Senator Waterman said she would agree about the perception, but the House is going to be perceived as trying to control administrative costs and when the bill came to the Senate we just let the administrators run wild. She did not think it does anything, but felt it should be left in and if it is taken out it should be done in conference committee by both Houses. She agreed we ought not to make decisions based on perceptions, but every time anybody runs, they are talking about streamlining government, reinventing government, cutting the fat out, eliminating bureaucracy, etc. A lot of what we do around here is addressing perceptions. She pointed out some of the things that are done at the present time and said she was not ready to remove this right now.

Motion: Senator Stang moved the subcommittee strike the Wanzenried amendment. The motion CARRIED, Senator Waterman voting no.

Senator Stang said he would like the Chairman to request to the Audit committee some information. He would like them to present the information on the weighted average GTB, and what it does to the school districts; what putting in the non-levy revenue does to the school districts and maybe what the two would look like if both of those were done. It appears that might be a compromise between the two positions. He would also like to have them look at what happens if we change the per student allocation, like the elementary amount of $3500 or the high school amount of $4500, the base rate change.

Chair Blaylock asked if Senator Stang could refine the last item and Senator Stang said maybe they could make some ranges of what happens if you reduce that to $4500 or $4,000. Perhaps if they could do something at $4500, $4,000, $3500 and $2800 so we could see what effect those numbers have. He said the other thing would be to look at the per student reduction factor if we decide maybe not to lower the per student allocation that we may take a look at changing the amount of the per student reduction factors and what a 10% increase or decrease, either way, would do. He believed that would give the committee some ideas.

Senator Blaylock said with people wanting to go home, some to a meeting, and Senate Finance and Claims meeting, he did not think it wise to meet tomorrow.

Senator Waterman said she would also like to make a request from the Auditor, if we move the stop gap to 800 what it would do.

He set the next meeting for 7 a.m. Monday morning.

ADJOURNMENT

Adjournment: 10 a.m.

CHET BLAYLOCK, Chair

SYLVIA KINSEY, Secretary

CB/sk

ROLL CALL

SENATE COMMITTEE Subcommittee on HB 667 DATE 4/2/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Blaylock	✓		
Senator Brown	✓		
Senator Waterman	✓		
Senator Hertel	✓		
Senator Van Valkenburg	✓		
Senator Stang	✓		
Senator Toews	✓		

FC8

Attach to each day's minutes

ROLL CALL VOTE

SENATE COMMITTEE SUBCOMMITTEE ON HB 667 BILL NO. HB 667

DATE 4/2/93 TIME ~~7 a.m.~~ 7:14 AM A.M. P.M.

NAME	YES	NO
Senator Van Valkenburg		✓
Senator Brown	✓	
Senator Waterman		✓
Senator Hertel	✓	
Senator Stang	✓	
Senator Toews	✓	
Senator Blaylock	✓	
	5	2

Sylvia Kinsey
SECRETARY

Chet Blaylock
CHAIR

MOTION: Re consider SB 80

Eng

eyw1 4-2

HB-667

April 2, 1993
Office of Public Instruction

Questions about House Bill 667

1. Why, when the OLA ran the regression analysis used in House Bill 667, did they included general fund expenditures for capital outlay and special education allowable costs? These expenditures are not driven on a per-pupil basis and including these expenditures in the analysis skews the calculations of per-pupil costs.

2. Why is district size is the only factor that the model recognizes as educationally-relevant? Special education spending, both the state and local shares, need to be recognized in the funding system as well.

3. What are the incentives to maintain separate districts or to consolidate under this bill? We'd like this committee to take the time to analyze how much districts receive in state funding under the current system versus the amount of state funding they would receive under HB 667. We also have a concern about how the bill allocates funds to K-12 districts, the spreadsheets have been run differently than the language in the bill indicates.

4. Within general size categories, do equal numbers of districts have to reduce their spending as have to increase? Or are we shifting funds in general from one size category of school district to another?

5. We have concerns about taxpayer equity issues in this model. How many districts still have a significant tax advantage (i.e. very few mills) because of the availability of non-levy revenue to fund the district's budget?

edh2
4-2

OFFICE OF PUBLIC INSTRUCTION
SENATE SELECT COMMITTEE ON SCHOOL FINANCE
April 2, 1993

Testimony presented by Kathy Fabiano, Office of Public Instruction

Appreciate the opportunity to discuss with you in depth the policy questions you will need to decide as a school finance bill is developed.

Hb667 is a good start, however there are several critical questions that need to be answered by the Legislative Auditor's Office before we can tell you if the statistical model approach used in that bill will benefit, harm or have no substantial effect on schools when compared to the present system. Questions like -

MADALYN'S QUESTIONS

These questions should all be answered to your satisfaction before policy decisions, like should the 18,000/$200,000 base amounts or the stop loss amount be adjusted, are made. Since the answers to these questions may not be reflected in the spreadsheets or "runs" of the statistical models that you have, you may not have a total picture of the district by district impact and implications of HB667 on Montana's schools.

1. For this reason, we recommend you retain the 80-100 minimum/maximum budget mechanism in the bill - it's a good way to address per pupil spending disparities - but apply the concept to the current schedules.

   The current schedules have not been an issue in the school funding lawsuits. Applying the 80/100 concept to them will allow us to keep a substantial portion of the current system and language in place. That's important because this bill has a July 1, 1993 implementation date (only 3 months away now) and because the current system at three years is still relatively new and not fully understand by everyone is trying to understand it.

2. Two more major policy questions you will need to address are the issue of various caps on budget growth and the issue of voted vs. permissive levies. We recommend you remove the spending reduction provisions in the bill for districts above the 100% cap and that you remove the optional vote required on budgets that are between 80 and 90 % of maximum.

3. We recommend that you retain the concept of paying less state dollars through the schedules and more as guaranteed tax base aid. This approach equalizes more dollars at no additional cost to the state.

4. Retirement - you essentially have two options. Leave the funding mechanism as it is, or further equalize by levying 23 mills statewide rather than the the current county by county levies of anywhere between 0 and 40 mills. A change to levying 23 mills statewide would result in levy increases for about half the counties, and levy decreases in the other half.

5. Capital Outlay - we recommend you incorporate into HB667 the provisions of SB32 as it left the Senate, and the capital outlay components of SB432. SB32 provides for guaranteed tax base aid to subsidize district levies for debt service. SB432 creates a separate, voted Capital Projects Fund and provides for a state match of up to 40% on district mills that are levied to fund capital projects.

6. Transportation - we recommend you incorporate the provisions of SB432 that deal with the creation of a bus purchase fund. This would be a budgeted fund, funded by a permissive levy with the same state matching provision as proposed for capital outlay levies.

7. Guaranteed Tax Base Aid - We recommend you retain the current system for determining GTB, as opposed to changing the distribution to a method such as the one proposed in Senator Stang's bill. We don't know the impact under this bill of changing to another method because all the analysis has been done assuming the current system stays in place. Also and I've said this before, with an implementation date only 3 months away, we advocate leaving as much of the current system in place as possible.

8. Non-levy Revenue - Representative Kadas indicated to you the other day that non-levy revenue could be recaptured. Doing so will address the taxpayer disparity issue that I spoke to you about the other day. The disparity caused by non-levy revenue is currently not addressed in HB667. Recapturing non-levy revenue will further equalize, and will generate approx $22.5 million annually before deducting the resulting increase in guaranteed tax base aid. We concur with Rep Kadas's recommendation but believe you should give the districts that are affected by it, the authority to levy permissively to a certain level.

9. Special Education and Tuition - we recommend you coordinate this bill with Hb469, dealing with tuition, and SB348 which changes the method of distributing state special education dollars.

10. P.L.81-874 - Our office is working with Lynda Brannon and we will soon have a recommendation for you to address the concerns of schools that receive P.L.81-874 funds.

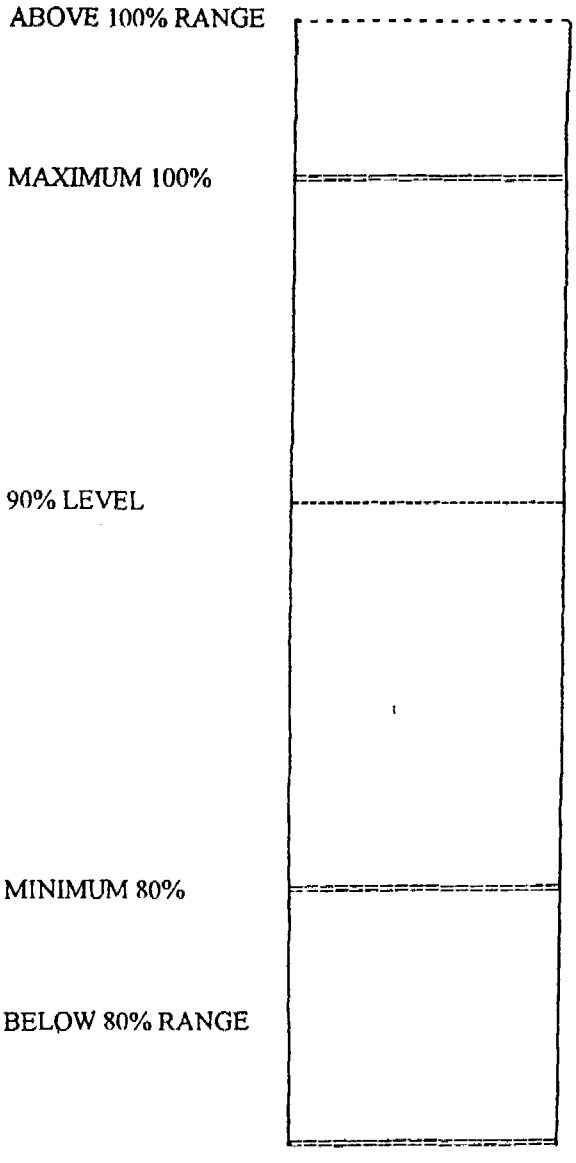
11. Finaly, we would appreciate the opportunity to come back to you with amendments drafted to make ANB more current (Rep

EX 2
4-2-93
HB-667

Simpkins referred to this amendment in his testimony before you on Wed), an amendment to the budget amendment provisions in the bill and miscellanous other amendments that are either clean-up or are intended to simplify school finance.

#3
4-2-93
HB-667

HB667 – THE BUDGET CAP BAZAAR



* Mandatory Budget Freeze or Optional Permissive Budget Reduction, Followed by Mandated Reductions on a Phased-In Permissive, then Voted Schedule

| > * Voted Budget Growth of Less Than 4% Up to the 100% Level

Voted Budget Growth of +4% or +4% / ANB

| > | Combination of Optional Permissive and Voted Budget Growth of +4% or +4% / ANB

Permissive Freeze or Budget Growth of +4% or +4% / ANB
or
Optional Voted Budget Growth of +4% or +4% / ANB

| > | # Combination of Mandatory Budget Growth to 80%, Then Optional Permissive or Voted Budget Growth to +4%

Mandatory Budget Growth of the Greater:
+20% of Difference to 80% Level, or
+4%, or
+4% / ANB

* Excluding districts receiving more than 10% of their current budgets from federal source revenues, HB667 would cap budget growth of 129 school districts enrolling 22,864 (15%) of Montana's students at less than +4% in the coming 1993-94 school year. By 1994-95, 16 additional districts and nearly 5,000 more students would have budget growth capped at less than +4%.

112 districts enrolling more than 37,000 (25%) of Montana's students are currently assured a higher level of budget at HB28's GTB assisted 135% caps than would be mandated at the 80% level of HB667.

eddf
4-2-93
HB667

MEMORANDUM

To: Senate Select Committee on Education Subcommittee

From: Eddye McClure
Legislative Council

Date: April 1, 1993

Re: Policy decisions needed on HB 667 raised during hearing

(1) **ANB Stop/Loss: 1000 High School; 2000 Elementary.**

Should the High school stop/loss be changed from 1000 to 800 ANB ?

Yes ____ No ____

(2) **Special Education:**

(a) Should special education provision be coordinated with SB 348 (Halligan)?

Yes ____ No ____

(b) Should special education allowable costs be added to entitlements to define BASE budget and maximum budget levels?

Yes ____ No ____

(3) **Districts spending over maximum budget level: currently districts above 100% required to spend "down".**

Should the districts spending over the maximum budget level be frozen at current budgets rather than being required to reduce budgets?

Yes ____ No ____

(4) **Wanzenried administrative costs amendment: currently limits all school administrative expenses to 95% of 2-year average.**

Should administrative reductions remain the HB 667?

Yes _____ No _____

(5) **Caps below 80% level: currently the greater of 20% of range between current and base budget or 104% of prior GF budget or 104% of prior GF budget per-ANB.**

Should caps below 80% level be removed?
Yes _____ No _____

(6) **Caps between 80% and 100%: currently 104% of prior GF budget or 104% of prior GF budget per-ANB.**

Should caps between 80% and 100% be removed?

Yes _____ No _____

(7) **Kadas amendment: between 80 - 100% level requires voted levy above 90% level.**

Should districts be required to have voted levy to spend above the 90% level?

Yes _____ No _____

(8) **Optional vote between 80 to 90% level: with Kadas 90% amendment, currently allows an optional vote on levy between 80 and 90%.**

Between 80 and 100% level, should optional voted levy requirement be maintained or should levy below 100% be permissive?

Yes _____ No _____

(9) **Capital outlay: currently not in HB 667.**

Should capital outlay equalization (some form of SB 32 (Blaylock) or SB 432 (Towe capital projects) be included in HB 667?

Yes _____ No _____

(10) **Retirement: currently not in HB 667.**

(a) Should school costs covered by retirement levy be equalized in HB 667?

Yes ____ No ____

(b) If yes, as a separate entitlement or an adjustment to per-ANB entitlement?

(11) **Transportation: currently not in HB 667.**

(a) Should transportation costs be equalized in HB 667?

Yes ____ No ____

(b) If yes, as a separate entitlement like SB 432?

(12) **Per-ANB reduction factor: currently basic per-ANB entitlement is reduced by 50 cents for each high school and 20 cents for each elementary school up to the stop/loss level.**

Should high school or elementary per-ANB reduction factors be changed?

Yes ____ No ____

(13) **COLA or inflation index: currently not in HB 667.**

Should an annual inflation factor for the 2 entitlements be included in HB 667?

Yes ____ No ____

(14) **GTB state aid: currently at 195% of statewide taxable value per-ANB.**

Should GTB percentage be adjusted to achieve another state equalization level?

Yes ____ No ____

EXH 1
4-2-93
HB-667

(15) **Weighted GTB (Stang SB 308): current GTB aid is based on ANB in HB 667.**

Should GTB formula be related to the BASE entitlement amounts to consider school size?

Yes _____ No _____

(16) **Non-Levy revenue: currently not equalized in HB 667.**

Should non-levy revenues be equalized by remitting money to the state or deposited in the county equalization aid account to be distributed as state equalization aid in HB 667?

Yes _____ No _____

(17) **House Amendment to cut $40 million: reduced state commitment in HB 667 as introduced by $40 million.**

Should cut in state commitment remain in HB 667?

Yes _____ No _____

(18) **Effective date: July 1, 1993**

Should the bill have an immediate effective date?

Yes _____ No _____

DATE 1-2-93

SENATE COMMITTEE ON Sub Com on HB 667

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One Support	Oppose
Tony Tognetti	Stevensville Schools	667		X
ERNIE JEAN	Florence-Carlton Schools School Admin Mont	667	X	
Dan Nelsen	Broadview School	617	?	?
Loren FRAZIER	SAM	667	X	
Pat Melby	Underfunded Schools	667	✓	
Harry ERICKSON	Belgrade	667	✓	
Al McMillan	Townsend	667	✓	
JAY ERDIZ	Roundup	667	✓	
Jim Andrus	Colstrip		?	
Staci Riley	MFT			

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE FOR SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Senator Blaylock, Chair, on April 5, 1993, at 7:00 a.m.

ROLL CALL

Members Present:
Sen. Chet Blaylock, Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Eddye McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	None.
Executive Action:	None.
Discussion:	HB 667

Discussion: Chair Blaylock asked Ms. McClure for a recap of action taken in the April 2 meeting and referred to the sheet on policy decisions. (exhibit 4, 4-2-93) She said on the first page the subcommittee elected to freeze the schools at the top rather than force them to reduce their spending. You removed the Wanzenried administration costs amendment 2-year average that was put on in the House. Also on page 2 you changed the caps and there are now no longer any caps below 80% and in the mid range you changed the caps from the 80-100% level to either the greater of 104% of last years budget or 104% per ANB. Any left on in the below 80% was a 5 year mandatory. They can go up as fast as they want, but have to be up to 80% within 5 years.

Senator Stang asked if between the 80-100% if they wanted to go over their budget it would be a voted levy and was told yes.

Chair Blaylock said on Saturday at Senators Brown and Stang's

request they had a discussion. They are uneasy and he told them they could make a motion today to reconsider it. Because of the time constraints we are facing, he would urge the members to discontinue this procedure. We are always open for reconsideration, that is our rules, but he hoped this would not be done again because this had to be reported to the full committee on Wednesday and if we continue this practice we will run out of time.

Senator Brown said he and Senator Stang had an opportunity to visit on this on Friday afternoon and Saturday and have a couple ideas for revision they would like to run past the committee. He handed out a copy of his proposals. (exhibit 1)

Senator Brown, said as seen by our previous action, we agreed to freeze the school districts above the 100% level. In the level between 80% and 100%, as we have agreed to up until now, we have 4% per year increases that are permissive by action of the trustees and increases in excess of 4% would be subject to a public vote. He and Senator Stang would propose that in the area below 80%, in the area where we are trying to get the school districts into the 80% level from the bottom, instead of their being able to do that in an unlimited way, we mandate the 4% increases by law and anything above that would be subject to a public vote. We proposed this in the interest of simplicity because it seems to correspond better to what we have already agreed to in the school districts above the 80% line and also because it would lessen the fiscal impact that was suggested to us at the last meeting. He said they had not had a chance to visit with Curt Nichols about this and are not sure what sort of an impact this amendment might have.

Motion: Senator Brown moved to reconsider adopting the amendment for the below 80% districts.

Discussion: Senator Waterman said she would want to know what he is going to do with this motion before she voted to reconsider it. She asked if he was saying they would no longer have to reach the 80% level in 5 years and Senator Brown said he believed discussion before was that if we mandate increases for 4% in each year they would be there in 5 years. Several committee members disagreed with this. Senator Waterman said if you go up just 4% of your budget, and you are down to 50% it will take you the rest of your life time to get to 80%.

Senator Stang said what Senator Brown wants to do is to mandate an increase so that in 5 years they will have to be at 5%, but anything it takes over the 20% each year to get there would have to be a public vote rather than be permissive.

Senator Waterman said then you would mandate they go up at least 20% per year, they can go up an additional 4% above that mandated area permissively. Senator Stang said no, they go up the 20% permissively, but anything over that is a voted levy. The main

reason for doing it is the fiscal note.

Senator Waterman asked if they were willing to discuss doing it in anything less than 5 years. Senator Brown said he believed the motion should be passed before that was discussed.

Vote: The motion to reconsider the action on the below 80% passed, 5 yes, 2 no, roll call vote.

Discussion: Senator Brown asked Curt Nichols for the impact this motion may have, recognizing this may not necessarily be only 4% increases in each year, but possibly to raise 20% per year to get to the 80% per year.

Curt Nichols, Office of Budget and Program Planning, Governor's office said the current fiscal note assumes that people will go with the larger of 20% or 4% and the estimated cost of going to that to allowing districts to go all the way to 80% the first year is about $ 12.5 million. Putting a vote on that, he believed, would reduce that call in half to about $3.7 million per year. The history of many districts is that even though their budgets are increasing, they have not had a history of voting mill levies. His assumption is that based on an increasing budget and the history of not voting mill levies, they would not vote to increase their mill levy more than 20%.

Chair Blaylock asked what made him think the school boards in those districts that have traditionally and historically not voted special levies, would suddenly turn liberal and start voting this. Mr. Nichols said he was saying they would not do so. His assumption is they would not, but if you granted the permissive, where the voters didn't vote they would increase, and that is where he is basing his assumption.

Chair Blaylock said he meant why assume the school boards would use that permissive. Mr. Nichols said because to a major extent they did when they were given the last opportunity when the school board had the chance to act permissive. Looking at state wide statistics, even though the districts had increased their spending, and even though there was a significant increase in mill levies, they did pass those levies

Senator Waterman asked if he had looked at those traditionally low standing districts we are talking about here and what they did in '89. She asked if he had broken them out separate from the state wide. Mr. Nichols said he looked particularly at districts that had not voted levies before and received the increase under Senate Bill 28. They took the expense that went to 135.

Senator Toews said he could live with the "voted over 20%", over the difference of the 20% increase they are supposed to have to get to the 100%, but he could not see where the 4% comes into play at all. If you just wanted to add a vote to the original

bill, that would be one thing, but he could not see where the 4% is in this.

Senator Brown said he wanted the part below the 80% line to correlate with the part above the 80% line. He believed in the case of a lot of the school districts, 4% would be in the ball park of that, but if we could accomplish our purpose by going to 20% of the difference and assume they would automatically phase in over 5 years, that would be acceptable to him. We are trying to figure out how to do this in a way that is doable within the budget. He did not know if this was it or not, but it comes closer.

Senator Van Valkenburg said he thought we ought to worry about the budget when we get done with this thing and back away from what we figure we can't afford to do after we are done doing what we think is the right thing to do rather than trying to work our way into it based on what three or four of us assume we can afford.

Senator Blaylock said one of the things that concerned him was that the Supreme Court hung it's hat and, in effect, chastised the Legislature and said we had to do something largely because of what happened in this level we are talking about. They said the kids in those school districts were not receiving the education they were entitled to under the constitution. He believed that the sooner we get those people up to the 80% level the sooner we get out of Court. He said he did not want Montana in the position Texas and some of the other states are in where they have been fighting this fight over and over. He really believed this should be moved on.

Senator Waterman said one of the concerns she has is that the first action we took was that high spending districts, some of which are at 140% or above, are frozen. It will be years before we truly equalize because districts are not going to catch up with those high spenders. She agreed to take that action because she had always believe we should not "dummy down" in this proposal but it is hard for her to justify that the district spending 140% can stay there and a district spending 60% can not move up to even spend 80% of the average. You have districts that are spending twice as much as another district the same size. She did not believe we should penalize the low spending districts and exempt the high spenders. She had gone along with supporting the freeze because she thought it was fair, but did it also, under the assumption we would allow the low spenders, at least come up to 80%. We are not talking about even coming up to average, we are talking about going to 80%. If we are going to do this we should probably go back and force down the high spenders and said she hated to do that too.

Senator Brown said he guessed as often said, politics is the art of the possible and certainly it causes great discomfort if you bring those school districts above the 100% line down, and that

is why we agreed in this committee and felt there was probably consensus in the Legislature, to freeze the top end ones. We also have to recognize that on the bottom end, if we want to try to get something important accomplished in the area of school equalization in this session, we will have to try to do so, mindful of the impact on the budget. He believed the amendment he would like the subcommittee to agree to which he would modify to mean 20% of the difference between where they are at the 80% level over 5 years. That would get us in the direction of equalization in an important and significant way. By Mr. Nichols calculation, it significantly reduces the possible impact on the budget with this proposal. He would hope the committee could go along with it in the spirit of trying to accomplish something important.

Addition to Senator Brown's Motion: Senator Brown added that he would modify his motion to mean 20% of the difference between where they are at the 80% level over 5 years.

Senator Waterman asked if he had made the motion for the 20%. Senator Brown answered yes.

Substitute Motion: Senator Waterman moved a substitute motion that we go to 80% in three years.

Senator Brown said he did not know what the cost would be on this and did not know how to respond. Senator Waterman said it would assume about $4 million instead of $12 million if they went there all at once. She asked Mr. Nichols if he had some idea what it would cost to do this in 3 years. Mr. Nichols said he did not.

Mr. Gillett said they provided information to Senator Waterman on this. He said he had made the chart a little easier to read and passed copies out. (exhibit 2)

Senator Waterman said you are talking about $2 million in the first biennium. It is not unreasonable if we want to freeze the high spending districts, many of which are far above the 100% level, that we allow districts to spend an additional $2 million in a move to get to 80% of that cost within 3 years.

Senator Brown asked how this would correlate with the $3.7 million figure Mr. Nichols just gave us. When we look at the bottom line and see the $6.7 million and the $5.6 million, that is what we are talking about as the bill is now. He was trying to address the top line. He asked Mr. Nichols about the figure he had given them which was quite a bit more than the top line on the first one. Mr. Nichols said he believed the assumption that goes with this, is that they cannot go above 33%, even with a vote. They would be frozen there because it is the minimum and maximum both. If you went to the 33% at the minimum but left the maximum going to 80%, the bottom line would still be there.

Senator Brown asked if he agreed the impact of this would be

somewhere in the ball park of $2 million. Mr. Nichols said again, if that was the maximum. Senator Brown said then that is the way we would have to do it. They would just go up 33% each year, regardless of their situation.

Senator Waterman asked why wouldn't you allow them to vote it above that. Senator Brown said because he was trying to save money. Senator Waterman said these are historically frugal districts and it would be under 3 years. She said his argument they would get there in 5 years, and your motion said they could vote above the 20%. Senator Brown said that would be the trade of what we are talking about here. You would guarantee to get them there in three years, but we are able to predict they are going to get there. By his proposal it could take 5 years and they might not vote it. Senator Waterman said in his proposal they could get there in the first year and Senator Brown answered yes.

Senator Waterman asked why he would not let them do it by a vote under her proposal and Senator Brown said because he was trying to save money. Senator Waterman said you assume the voters will have the same propensity to support their district under either of the proposals if it goes to a vote. They will vote on it under either proposal and vote on going to 80% the first year we have as great a likelihood under your proposal as mine. In fact, it is going to be harder to get there under your proposal because they have more of a vote. She said all she was doing was raising the floor a little.

Chair Blaylock said the issue before us is a substitute motion by Senator Waterman that they go up 33% and are permissive above that to 80%. They can go to 80%, it is the same as Senator Brown's motion. They must go to 33% increase each year and voted they could go to more than that, up to 80%.

Pat Melby said the way the bill was drafted before when it was 20%, it was 20% of the difference between where they are now and 80%, so they could go 20% or 104% of last year's budget. If you motion is just 33%, then some school districts that could have gone to 80% by doing 104% of last year's budget won't be able to do that. They can only go 1/3 of the difference between where they are now and 80%, so he would suggest, if you agree, that it be 33 1/3% of the difference between where they are now and 80% or 104% of last year's budget or 104% of last year's budget per ANB.

Senator Waterman said she had assumed all along that whether it is Senator Brown's motion or hers that they were not touching that 104% and the 104% ANB, we were only talking about the part.

Addition to Senator Waterman's Motion: Senator Waterman said she wanted the 104% and the 104% of ANB in her motion and the last year it would read remainder.

Dori Nielson said there was still a problem with the motion. As the current bill was written, it was 20% of the difference each year. 33% of the difference will give you the same problem. In the third year it still says 33% of the difference. That means you have 2/3 of something left over. If you are going to put this in for the third year, it should say the remaining of the distance.

Senator Waterman said she was assuming you would write the language to be 1/3 or 1/3 of the original amount you started out with.

Chair Blaylock asked Ms. Nielson for the specific language we would need to get rid of that end. Ms. Nielson said if you are doing 20% or 33% or whatever, it is "of the difference" so each year you will calculate the difference and take the third or fifth or whatever, and you still have a hunk left over. Whatever amount, the last year had better say the remainder of the difference. You can't start with the first one and lock it in, your budget is going to change.

Senator Van Valkenburg said it is simple if you are talking about three years. The first year it is one third, the second year it is 50% and the third year it is the remainder. It is 50% of the remainder in the 2nd year and 100% of the remainder in the third year.

Mr. Simpkins said the only reason they didn't put the vote at the bottom was to try to get a handle on what the budget figure would be. If you leave the vote out, what you have will work. The reason we put the 33 1/3, the 104% and the 104% or whichever is greater, it would automatically push them above the 80% line when you got the 104%. When you get that close to the 80% you did not want to keep a school district there, but to let them go the 104% up into the 80.

Senator Brown said it seemed to him the method Senator Van Valkenburg had just suggested makes just simple sense.

Vote: The substitute motion for 33 1/3% CARRIED, unanimously.

Discussion: Senator Stang said he had another proposal. He and Senator Brown spent a lot of time trying to hammer out some differences between the big schools and the small schools. He would propose we combine the two ideas in one amendment. They have to be done together, because if done separately, it throws it into an imbalance. He would propose we use the weighted GTB to figure the GTB and an 800 figure stop loss. He said some of the people who represent larger schools think it is a ploy for the small schools to get money, but to him it had been proven by the weighted GTB, and some say the weighted GTB truly equalizes. If you look at the figures between the 40 and 80% and look at the permissive budget or the voted budget and use the weighted GTB, it takes exactly, almost to the person, the same number of mills

to raise the amount of money in that level. To him that truly equalizes and throws out the argument that a $50,000 house in Ekalaka is going to pay more than a $50,000 house in Alzada or wherever, that statewide those people are going to pay the same to raise the same amount of money for education. Because he knew politically, that would not pass, and because if we did that it would be looked at as a move to strictly help the small schools, we needed to do something for the big schools. We looked at Representative Kadas's stop loss figure and decided the 800 stop loss would, in the first year almost be a wash. In the second fiscal year the 800 stop loss combined with the weighted GTB is probably going to cost about $450,000 per fiscal year. He and Senator Brown felt this was a decent compromise that may get us out of court, may help some of the big schools who think we are trying to steal their money to get out of court, and give them a little extra money. He handed out a sheet from the Legislative Auditor's office. (exhibit 3)

Chair Blaylock said with Senator Stang's proposal, we are making a jump and perhaps should make another decision before we decide on this one. The decision is whether we go with the schedules or do we go with this proposal. The minute you get into the stop loss, the assumption is that you go with HB 667 and the concepts. If we are going with 667 it assumes the schedules are out and it is a concept we have to make now.

Senator Stang said he had assumed since we had decided we were going with HB 667 the other day we had already decided we were not going to go with the schedules, but were going to go with the numbers that were in 667. Chair Blaylock said if that is the assumption that was made, it was his fault that we had not taken that up immediately. It was his understanding that we can put the schedules into 667, but that is one of the major decisions we have to make.

Senator Brown said he believed he was the one who made the motion we use HB 667 as the vehicle and when he made that motion he had in mind we would follow this stop loss concept. During the testimony on the bill there was testimony that we ought to consider using the existing schedules. Chair Blaylock said that was correct, but he had also said we had 432 before us, and both these bills are major changes and are different in concept. We decided to go with 667 because it is further down the track, but that we would, where this committee decided on recommendations to be made to the full committee, put in parts of 432 we thought would make this a better bill. He believed we should consider that.

Senator Stang said he had not made a motion on his proposal, he had just explained it.

Motion: Senator Stang moved we just use the mechanism in HB 667 rather than try to deal with the schedules.

Discussion: Senator Van Valkenburg said it is his understanding that before he had gotten to committee on April 2nd, the office of OPI, Kathy Fabiano, set out a list of questions that needed to be answered with respect to the utilization of this mathematical formula. He asked if those questions had been answered.

Chair Blaylock said the OPI had gone down through them and the committee had looked at them. He asked the OPI for his opinion.

Gregg Groepper, Assistant Superintendent, OPI, said he believed the question Ms. Fabiano was talking about were in terms of analysis, that our office had suggested you ought to consider before you made that decision. One of the analyses is Capital Outlay in or out and the question of Special Ed in or out and if we were to use current ANB We made a suggestion that if we are to get this rolling by July 1 and could minimize the work, we wanted you to consider using the fall enrollment so we did not have a whole bunch of budget amendments. If we don't do that we would be looking at a year and a half old ANB and now 104% of ANB. Districts would have a difficult time doing that. He said specifically, those three questions are not answered yet. As he recalled Friday, you sent the Legislative Auditor's office back to crunch a bunch of numbers with some assumptions. We have not seen those numbers yet, so he did not think all of the questions Ms. Fabiano had posed have been answered yet.

Senator Stang said he did not think it was the fault of the Auditor's office that the OPI had not seen those assumptions. You knew what we wanted and have the same data base. You could have brought up the same assumptions and we could have compared them.

Chair Blaylock suggested the committee look at # 9, Capital Outlay. (exhibit 4, 4/2) He said retirement is # 10, transportation # 11 and special ed is 2.

Senator Waterman said she thought they could be decided and the fundamental question is which schedules we are using and then put these in after that decision is made. She would support Senator Stang's proposal, there is no rationality in the present schedules and it is time to change. She had concluded it was better to go with what is in HB 667 as a starting point.

Senator Van Valkenburg said it seemed fairly obvious to him that so many people have bought into this Auditor's proposal, particularly on this subcommittee and obviously in the House of Representatives, that it is "nigh unto fruitless" anymore to try to get in the way of this locomotive. Unless someone else wants to join him in saying our professional school people who have an obligation to implement this thing need to get some basic questions answered about how this formula is going to work, there is no sense carrying on the discussion.

Chair Blaylock said this is a basic issue we are having to face

and had asked specific questions of the school people in here. Before you got here on Friday he had asked them, "will this work", and "can you work with this". He had asked Ernie Jean, President of the Administrator's Association and they feel this would work. He had asked people who are going to have to work with this and if it doesn't work, it isn't because they weren't asked.

Senator Van Valkenburg said Ernie Jean is not running the OPI. He said he was referring to Nancy Keenan and her staff.

Senator Waterman said she was not saying we don't have to answer these questions before we get done, but it is the point at which we start. She believed we need to give OPI the answer to their questions, but it is just which proposal we are starting on. Her feeling is that she would like to take up what Senator Stang is proposing and then we will work through and answer those questions about capital outlay and retirement etc., but we will do it working off of HB 667.

Chair Blaylock said the motion is that we use the mechanism in HB 667 to work from, and the question before the committee is do we use the concept that is in HB 667 or do we use the system of the schedules.

Vote: The motion CARRIED, Senator Van Valkenburg voting no.

Senator Stang asked the Chair if he would rather discuss Capital Outlay first and Chair Blaylock said Senator Stang's concept would affect that decision.

Capital Outlay, #9

Senator Stang asked what the chances were of the House receding from their amendments on your bill is and Chair Blaylock said he had not taken any kind of a poll, and just did not know. He said on Saturday he rejected the amendments of the House on SB 32, he did not believe they were workable and his desire is to go back to 32 the way it left the Senate.

Senator Stang said the further question is if the Chair would like to see him put it in HB 667 to make sure they have to consider it again or just leave it hang out there by itself. Chair Blaylock said he had said from the beginning that SB 32 should stand on it's own and get through. There is no guarantee on HB 667, it is contentious even as it has been around the table this morning, and it will probably be contentious in the big committee as he had told both Senator Brown and Senator Van Valkenburg, who feel strongly about their positions, although Senator Brown's may have been settled. Senator Van Valkenburg would have a perfect right to bring this up and try to sell his position. As HB 667 progresses, it could die. SB 32, in some form, has to get through this Legislature, because if it doesn't, we are back in special session. He said it could be put into

this bill, but he also wanted it to stand alone.

Senator Stang asked, if we decided to put the weighted GTB into HB 667, would you work with the conference committee to get the weighted GTB into SB 32 so they would be consistent. Senator Blaylock said no.

Representative Boharski said one thing they did talk about in the Select Committee, was trying to keep this bill reasonably simple because of the forced effective date. That was one of the reasons why the select committee resisted putting all they felt OPI wanted in trying to keep on the right track with all their funds etc. We were trying to keep from changing as many things as possible, just to keep confusion down. So they resisted putting capital outlay, retirement and transportation in the bill.

Senator Waterman asked if she was correct in that if we do weighted GTB in HB 667, we would need to do it in SB 32. It would be a nightmare not to do them both the same.

Senator Stang said it would be his intent, that if Senator Blaylock was not willing to work that concept of the weighted GTB average into his bill, if it should pass this committee he would intend to put a coordinating clause that if weighted GTB is used here, it will be used to determine capital outlay.

Senator Waterman said in the list of questions we got from OPI, their discussion on capital outlay and special ed she believed tied to what is now in the general fund budgets of schools. (exhibit 4, 4-2) There are some capital outlay costs and special education costs within that. They are not talking about formula outside. She asked if that was correct, and asked if the OPI question didn't have to do with those costs that are included within the foundation schedules now. Gregg Groepper said perhaps if possible, they could segregate the special ed question since the committee is not taking about that right now. Their concern on capital outlay was two-fold. One, they thought there needed to be this special fund and it needed to be dealt with some form of GTB, and OPI testified along the lines of Senator Blaylock's bill. Separate from that decision, whatever the committee decides, he believed OPI would say whatever GTB mechanism you use, it ought to be the same in both places. If not, we would just add to the administration of this regardless of the merits on which you decide upon. There is a secondary issue he had not heard mentioned, and that is there was language in 432 that specifically excluded capital outlay expenditures and bus purchase expenditures. Regardless of how this goes, we would hope this committee would favorably consider getting those kinds of expenses outside the general fund so the per pupil expenditures look a lot more comparable. You would not have to go back and pull those out every time you wanted them for litigation.

Senator Waterman said the concern is that at the present time some of those capital outlay costs are within the general fund. Mr. Groepper said there are no restrictions right now for capital outlay expenditures in the general fund. If you had enough wealth to bring a gymnasium or an extra classroom out of your general fund, you are not restricted from doing that and that, in some districts, is what skews this per pupil expenditure.

Tom Biladeau, MEA, said to follow up on Mr. Groepper, in respect to capital, if you make that decision to use the same GTB weighted formula, there is still a secondary issue as to whether or not you want to target those monies to districts that are actually levying bonds at this particular date, or if you wish to spread those monies out over all the districts.

Chair Blaylock told Senator Stang that if his view is the majority view, you can get that in here and you can put the coordinating instruction on SB 32, but you asked me for my personal choice and you received it. He asked if the committee wants to put capital outlay into HB 667.

Senator Waterman said her preference would be that we coordinate 667 with 32, but not roll them into the same fund. If we decide to do that, she would then ask OPI to work with Ms. McClure to prepare an amendment to allow them to segregate capital outlay costs out of the general fund so they are calculated separately. She did believe in the long run, this will be an important issue and once we have a way to equalize capital outlay, they have to be calculated outside and cannot be done within the budgets. She believed they needed OPI to work out the mechanism for this.

Senator Toews said he would agree that 32 and capital outlay need to be outside this structure, but you are saying none of the money out of this funding could be used for capital outlay, or that it should just be separate. Senator Waterman said it would have to be counted outside the foundation program, if you want a building or a gymnasium, you could no longer do it out of the general fund.

Senator Brown said what he believed Senator Waterman was saying was that if this bill doesn't make it, you want capital construction projects in school districts to have a way of funding apart from this, and that is why you want to keep it separate. She would also place a coordination instruction in this bill to make whatever we do in that area compatible with this if this bill passes. Senator Waterman said yes.

Senator Waterman said this was a separate issue, which she did not want to roll into this, that would be the first motion she should make. The second motion would be to have OPI come up with a mechanism that would segregate capital outlay costs. Ms. McClure said this could be lifted from 432 because it is done there.

Chair Blaylock asked Mr. Groepper to explain this to the committee, if Senator Waterman's motions go, could you make this work.

Mr. Groepper said he believed if the committee does what Senator Waterman is suggesting, we would have to look at it to be sure it was a coordinating clause or what, but essentially what they suggested in 432 was in the allowable expenditures in the general fund, if you are going to build a new gym, classroom or whatever, then that would have to be done through capital projects fund and subject to a vote. The same thing with the new bus purchases for districts that are running their own transportation program. That is not to say, if the boiler blew up or if you had a fire or something, when you got the insurance proceeds you could do it through the general fund, or do it in an emergency through the general fund, but plans for additions and new things for your school building, would be done through the capital projects fund. The only intent there is to keep those expenditures comparable, so when we look at general per pupil expenditures, which seems to be the test in litigation, we wouldn't have to go through and pull all these costs out. Yes, we can take the language in 432 that established those costs outside the general fund and make this work with a coordinating clause with 32. If 32 doesn't pass and these costs are still outside the general fund, in his presumption, they would be recorded in the current capital outlay structure we have now because they would not be allowed in the general fund.

Senator Stang asked Mr. Groepper a question. He said he had some school districts that have two unique situations. One is the Bonneville Power money, and a lot of districts are going to use that for capital outlay. The other is that he has a school district that stands to receive a federal grant of about $1.5 million for capital outlay. He asked how that would fit into his concept. Mr. Groepper said on the federal grants, normally schools record those federal monies in a fund structure outside the general fund, and it would be no problem. Under the concept proposed in 432 for dealing with just Bonneville money, they had a year delay implementation date so districts could use that revenue within the general fund, or if they chose to put it into a capital projects fund, we allowed them to transfer that Bonneville Power Administration protested tax money to a capital projects fund. They also wanted to get that sort of revenue outside the general fund. Under the concept of 432 you would take the corpus of those Bonneville Administration funds and if you wanted to continue to use those in the general fund, they would become part of the general fund balance. If you didn't want to do that and wanted to put it in the capital projects fund, you were allowed to transfer those over. He did not recall anything in 667 that addresses those excess reserves, and may be a bit of a problem if you leave the current structure the same.

Ernie Jean said he would like to have the committee consider as they approach this as a capital outlay fund outside the general

fund for major projects is a very good idea. It is something they proposed last summer, but he would submit that every school district has a certain amount of remodeling funds in the general fund to maintain their building and they wouldn't want to go out and vote use of those funds. If you eliminate those funds from your general funds that would eliminate a district from being able to do their own remodeling etc. without going to a vote.

Ms. McClure said you can do that. Mr. Groepper said he appreciated what Mr. Jean was saying, but did not think their language in 432 contemplated that districts couldn't remodel or maintain or repair in the general fund. We specifically tried to address what we considered new construction.

Motion: Senator Waterman moved that HB 667 be coordinated with Senate Bill 32 and that OPI develop a mechanism for a capital projects fund to work within 667.

Senator Brown said we couldn't do this, but we can make the request.

Motion change: Senator Waterman moved that HB 667 be coordinated with SB 32.

Discussion: Representative Boharski asked what happened with a district that was getting bonus payments for consolidation. He asked if they could use that money to add on new classrooms. Mr. Groepper said if you adopt this language and a school district gets bonus payments for consolidation, he did not think that was enough to build a new building, but if building a new building, they would be restricted from using that in the general fund from building, so we would have to allow for mechanism so that in a consolidation payment that amount of revenue could be transferred to this capital projects fund to make the expenditure. We are not trying to stop schools from making expenditures, we are just trying to get those expenditures outside the general fund because they do terrible things to this per pupil comparison, and that is part of the problem with the litigation.

Representative Simpkins asked if Senator Waterman said within or outside 667. He did not think the coordination clause would be for the fund outside the parameters of 667 and coordinated with 667. He did not think you want to merge 32 into this. He was told it was coordinated.

Vote: The motion CARRIED unanimously, Senator Van Valkenburg was absent.

Ms. McClure said they need some clarification. If you coordinate, what are we coordinating with 32. Are we putting something in 667 and therefore 32 mechanism or what. When you coordinate you say "if this bill and 32 pass" something happens.

Senator Brown said when Senator Blaylock introduced SB 32, he did

not presume this kind of a proposal coming along. We are trying to make clear that if this new concept for funding schools does pass, we make sure it is compatible with how ever we pay for the buildings.

There was some discussion about not putting the language in 667 because they were not sure what would happen with it. There would have to be coordinating language in both bills in reality, and it would have to be prepared so that will happen.

Senator Waterman said the goal we are trying to reach is to equalize and that we are going to equalize within 667; capital outlay will be equalized, but it will be equalized within 32.

Senator Blaylock said the problem is what Senator Stang wants. He wants the weighted GTB formula to be in both areas.

Ms. McClure said their question was that they were asked to use the 432 mechanism and do they want it amended into SB 32 or do you want it amended into 667.

Mr. Groepper said they would suggest that the restrictions to the general fund be amended into 667 so that whatever this model looks like when you finish executive action, in the general fund of 667 you can no longer make these major capital projects and bus purchase expenditures. They would have to be for purposes of 667, in what is now the capital outlay fund. As he saw it, the existing language would have to be amended on the assumption that if SB 32 does not pass into the current capital outlay fund to make it look like what we proposed to capital projects fund, but with no equalization mechanism. If 32 passes, and it will depend on which equalization mechanism is in it, the coordination happens. In terms of this bill to stand alone, you just restrict general fund expenditures and make amendments to what is now the capital outlay fund or debt service fund to put those expenditures over there. That gets you down to 667 and lets you decide 32 on it's own merits.

Motion: Senator Waterman moved to put the concepts in 432 into 667.

Discussion: Senator Toews asked for further clarification as to whether they could still be allowed to move the monies and move them to capitol improvements fund, it isn't a restriction that can't be done, it just provides a mechanism to move it out of the general fund into the capital building fund.

Mr. Groepper said there are a couple questions in that statement. 1) can you take the money that you generate from the state through this mechanism in 667 and can you now spend that to build a new building. We would say no. That would have to be done in what is currently the capital outlay fund with a vote. He said Representative Boharski raised a legitimate question, if you had consolidation payments, or the Bonneville Power money, or some

extraordinary revenue that allowed you to make a choice to transfer those records over, we need to consider that question. Our bill considered it, but went about it in a different way, and we will need to reinvent this unusual kinds of revenue to allow you to do that. He did not believe the intent was to base the amount in 667 mechanism on how much money per kid and use that to make major additions to a school building. You could still use it for maintenance, repairs, etc. You could still use your reserves if you had a disaster and you had to replace something, but new construction would have to be done outside and you would not use your foundation amount to do that new construction. You would have to vote it, whether it be Bonneville Power, tax payments or other unusual kinds of revenues.

Senator Toews asked if this was also true with the excess funds at the end of the year, you could not take advantage of those. Mr. Groepper said it that is the wish of the committee, to allow schools to use an ending fund balance and make a transfer within their budget to capital projects fund, that is a separate issue as he saw it, and he did not think that issue had been addressed.

Senator Toews said he saw this as the same thing as part of this motion and he saw it as a restriction. Mr. Groepper said he was trying to step back from the deliberations of the committee and just provide advice, and their advice would be that you don't use this base funding for capital projects expenditures, that they would have to be done outside the general fund.

Rod Svee, Superintendent of Hardin, said in regard to the coordination of this particular part of the bill, if you would make sure the language is in there that allows each of them to be used in that separate fund it would help. There are schools that have utilized 874 money for capital improvement, have used it in their general funds, and this bill needs to have specific language to allow it.

Kathy Fabiano, OPI, said the language that is currently in HB 667 allows districts that receive 874 funds, to put those monies in a separate fund, an impact aid fund. That is a non-budgeted, non-voted fund, so they could use those monies for capital outlay, but it won't be in the same capital outlay fund that all the other revenue sources were expended for capital outlay.

Senator Stang asked if that is the same place the Bonneville Power (BPA) money is and Ms. Fabiano said no, the impact aid money only receives 874 money. The BPA monies follow the levies that, when the monies were protested, are the funds that were shorted that year and receive those monies now when they are distributed. The general fund would receive it's share of the BPA monies, only because of the levies that were levied in the general fund.

Senator Stang asked if this needs to be addressed somewhere in this bill if they want to use it for something other than the

general fund and Ms. Fabiano said if you want to take the BPA monies that were distributed to general fund levies out of the general fund and expend those funds in a capital outlay fund for capital outlay purposes, you would need statutory language to do that. The way we allow it now, unless it is specifically allowed by law, we don't allow districts to transfer money out of the general fund for another purpose. If you do that, you need to clarify whether that transfer has to be within the maximum budget.

Senator Toews said he would resist this motion, he believed it is too restrictive and to not be able to move excess funds out of your general fund for capital outlay is going to be hard on a lot of schools. He believed it was necessary to be able to move the money out, or leave language big enough so they could get it out there and you don't define new capital outlays too close. If someone chooses to run a tight ship and want to move these funds into a different place, he did not see why they couldn't do it.

Senator Waterman said one of the concerns has been that some districts ran a tight enough ship so that the money was not being spent on the kids in the classroom and that was one of the concerns made in testimony on equalization. She believed clarification of language was needed here. Some of us need to go to Finance and Claims and some to Taxation and asked if we could wait on this motion until we get some language so we know what we are really voting on.

After discussion it was decided the committee would meet again at 3 P.M. OPI was asked to draft the language Senator Waterman had requested.

ADJOURNMENT

Adjournment: 8:15 a.m.

Chet Blaylock
CHET BLAYLOCK, Chair

Sylvia Kinsey
SYLVIA KINSEY, Secretary

CB/sk

ROLL CALL

7 A.M.

SENATE COMMITTEE Subcommittee on HB 667 DATE 4/5/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Blaylock	✓		
Senator Brown	✓		
Senator Waterman	✓		
Senator Hertel	✓		
Senator Van Valkenburg	✓		
Senator Stang	✓		
Senator Toews	✓		

F08

Attach to each day's minutes

EXH 1 — 4-5-95
HB667

School districts frozen

100%

4% per year increases permissive
by action of district trustees

increases in excess of 4% subject
to public vote

80%

4% per year increases mandated
by law

increases in excess of 4% subject
to public vote

← Proposed

40%

Exh a
4-5- HB667

OFFICE OF THE LEGISLATIVE AUDITOR

AT THE REQUEST OF THE SENATE SELECT COMMITTEE ON EDUCATION

TABLE OF INCREMENTAL STATE SUPPORT UNDER VARIOUS LOW SPENDER GROWTH PERCENTAGES COVERING FISCAL YEARS 1992-93, 1993-94, 1994-95

04/02/93
04:18 PM

GROWTH

PERCENTAGES	1993*	1994	1995#
20% - HB667 COSTS	$354,798,890	$368,039,937	$381,770,583
ADDITIONAL @ 33%	$0	$515,345	$1,693,432
ADDITIONAL @ 50%	$0	$1,680,908	$5,618,170
ADDITIONAL @ 75%	$0	$4,060,493	$5,618,170
ADDITIONAL @ 100%	$0	$6,724,353	$5,618,170

* FISCAL YEAR 1992-93 LOW SPENDER GROWTH HAS BEEN SET AT 0.

ANY ADDITIONAL STATE COST ABOVE THE 50% LEVEL BETWEEN FY94 & FY95 IS DUE TO 4% DISTRICT BUDGET GROWTH.

SENATE
HB667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATORS STANG AND BROWN
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB: NOT INCLUDED FOR FY94; INCLUDED FOR FY95

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04-Apr-93
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	RESTATED FISCAL YEAR 1992-93 CURRENT HB 667	H.S. STOP LOSS 800; WTD GTB	DIFFERENCE
FY 93 STATE SUPPORT	$383,833,738	$383,833,738	$0
NEW STATE SUPPORT	$356,424,811	$356,452,954	$28,143
STATE SUPPORT DIFFERENCE	($27,408,927)	($27,380,784)	$28,143

	PROJECTED FISCAL YEAR 1993-94 CURRENT HB 667	H.S. STOP LOSS 800; WTD GTB	DIFFERENCE
FY 93 STATE SUPPORT	$383,833,738	$383,833,738	$0
NEW STATE SUPPORT	$368,039,967	$368,509,336	$469,369
STATE SUPPORT DIFFERENCE	($15,793,771)	($15,324,402)	$469,369

	PROJECTED FISCAL YEAR 1994-95 CURRENT HB 667	H.S. STOP LOSS 800; WTD GTB	DIFFERENCE
FY 93 STATE SUPPORT	$383,833,738	$383,833,738	$0
NEW STATE SUPPORT	$386,503,342	$386,960,531	$457,189
STATE SUPPORT DIFFERENCE	$2,669,604	$3,126,793	$457,189

TAM

DATE 4-5-93

SENATE Sub COMMITTEE ON HB 667

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One: Support	Check One: Oppose
ERNIE JEAN	SAM Florence-Carlton School	H667	X	
Don Waldron	MREA	HB667		
DOUG MELTON	OLA	HB667		
Dustin Hill	Scobey Schools	HB667		
Jim Anderson	Outlook Schools	HB667		
Ken Halverson	Opheim Schools	HB667		
Lynda Brannon	IISM/MASBO	HB667		
Carl Knudsen	SACO SCHOOLS	HB667		

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE FOR SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Senator Chet Blaylock, Chair, on April 5, 1993, at 3:45 p.m.

ROLL CALL

Members Present:
Sen. Chet Blaylock, Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Eddye McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: None.
Executive Action: None.
Discussion and Recommendations: HB 667

DISCUSSION:

Chair Blaylock said he would begin the meeting with Ms. Quinlan.

Capital Outlay:

Madalyn Quinlan, OPI, handed out (exhibit 1) and said one of the issues that is before this committee is the question of where districts should fund capital expenditures. The proposal (exhibit 1), is an amendment to remove capital outlay expenditures from the general fund and require that capital outlay be expended in the building reserve fund, if it is a building project, or other capital outlay would include bus purchases and those would be moved into either the transportation fund or the bus depreciation fund. Their perspective on this is

that the general fund is viewed as the district's operation and maintenance budget, and it is not perceived to include capital outlay in general. The expenditure analysis that is done, when you look at spending per student in the general fund, is distorted when it leaves the general fund if it is for capital outlay expenses in that fund.

Ms. Quinlan said that frequently, when the analysis is done, capital outlay is not removed from the general fund as it should be, in looking at per pupil expenditures. Another issue is that districts build buildings or partially finance buildings out of the general fund and basically they make a long term commitment of taxpayer's dollars with no vote of the public and in isolated circumstances they have had districts build million dollar gyms out of their general fund with no public vote on that building. Not only do you have a commitment to the taxpayer dollars for that new facility, but you have the long term maintenance costs that go with that and the voters have not had a say in those costs. The amendments, as drafted, would allow a district's transfer from the general fund, any excess reserves they currently have. If they have Bonneville Power Administration (BPA) monies, bonus payments, or some other protested taxes or tax audit monies, they would, at the end of this school fiscal year, be able to transfer those monies into the building reserve, the transportation or the bus depreciation fund.

Chair Blaylock asked if they could put them in all three, and Ms. Quinlan said yes, at the end of this year. These are for districts that were planning to make some sort of capital outlay out of the general fund, and because of this change, they would not be able to do that unless they could also move those monies into the building reserve fund. The front page of this amendment makes some amendments to the bonus payments section of statutes. That is when two districts consolidate, they get a bonus payment and this would allow them to deposit that bonus payment either in the general fund or the building reserve fund. If they have a building project they need because of the consolidation, that could happen. She said we are looking at about $10 million that was spent by districts in their general fund for facility acquisition and bus purchases in fiscal '92 and those are the expenditures that would be pulled out of the general fund with this amendment.

Senator Waterman said when she was on the school board here, if they had not annexed the valley school district, where they had a large growth and were at their bond max. One of the reasons they were interested in the annexation was because they were up against the bond cap. Their choice, had we not annexed them, would have been to have built some classroom additions, a couple at a time out of their general fund. She asked how that sort of situation would be protected.

Ms. Quinlan said she believed what the committee would want to do was to pass SB 32 in tandem with this amendment. SB 32 allows

their bonding capacity to go up to the state wide average, and then districts that are strapped that way, because they don't have much of a tax base, would be able to increase their bonding capacity under that.

Chair Blaylock remarked to Ms. Quinlan that she had said they could take the BPA money, any bonus money etc. but had some of the superintendents talking to him after the meeting this morning and they were saying that in the past, as you have said, they have taken that money out of the general fund to do buildings. After we pass this, they will no longer be able to do that.

Ms. Quinlan said the key language is on the second page, (2) in the underlined material.

Chair Blaylock asked about small renovations such as a boiler blowing up and Ms. Quinlan said that could be funded out of the general fund. Chair Blaylock said if a huge wind came along and blew something down. Ms. Quinlan said the next sentence in 3), the underlined material speaks to that.

Senator Stang asked what happens to a school district that may have 15 years left on a large bond and it is virtually impossible to pass, even with the increased limits. The people in that district will probably not vote for another bond to add on a classroom, but the school district cannot meet current accreditation standards without an additional classroom. He said the people will not vote it because they are already up against a big bond issue, and if they took some money out of their general fund to add on a $35,000 or $50,000 classroom, this bill would prohibit that action. He asked if that was correct. Ms. Quinlan said yes, but she believed the issue is that the district voters will end up voting either way. Either they will vote for the building reserve or they will vote in the general fund if it is a one time expenditure over and above what they need to just keep the district running and fund it out of the general fund. Either way, you will either exceed the general fund cap we have in place and that will require a vote, or if you spend out of the building reserve, that will require a vote as well.

Senator Stang asked if you can spend out of the building reserve without bonding and Ms. Quinlan said yes, that is what the building reserve is about. It is saving up money over time for a project or spreading the project out over, say 5 years. If you have 13 schools in the Helena school district, you may over 5 years of time in those districts do asbestos removal, for instance. Bonding means raising the money up-front to get the project built right away.

Senator Waterman said she had the same concern about a district that has a high bond already. That ties back into SB 32, and you wouldn't have that problem if 32 went back, but where it is only prospective it does not help the district you are talking about that is up against the high limit. If this applied to existing

bonds, then they could get it down to where their voters might possibly approve the new bond issue. She said that was what concerned her about SB 32 because it did not resolve the problem for these districts that already have a high bond capacity.

Ms. Quinlan said the only way it would resolve that problem is if they had a project and wanted to bond for it, then their bonding capacity has been increased.

Motion: Senator Toews said he would move adoption of these amendments. (exhibit 1)

Ernie Jean, State Administrators of Montana (SAM), said he would like to talk about this amendment. The SAM position has always been that the district trustees should have the ability to operate the general fund budget that best fits the specific needs of the given district. If you assume HB 667 budget caps, you have effectively eliminated 25 extra mills to build a new gym. He believed that problem had been taken out. You can build some things from within the general fund budget, but he did not think that exists. His concern, and using Florence as an example, they went to the full bonded capability of the district, both in elementary and in high school. There was not enough money to build the necessary classrooms and so they took money out of the general fund for two years to supplement that construction cost.

Mr. Jean said when we opened this fall, we had to file an exception to the standards, because of the new enrolment this one year, we did not meet standards with the new classrooms. The point is that we could not have built 4 classrooms as it was, without being able to use general fund money to supplement that building. He said he believed this was restricting a district's ability to improve their capital station, or their projects or their building by not allowing them some flexibility within the general fund. It is very difficult to legislate against the one or two exceptions to the rule that may be abusing the system. The system is built to allow districts the flexibility to help their students and to say a new classroom isn't going to help the students, it made a difference between our being able to put 23 classes to a class to nearly 40 per class.

Senator Stang addressed Mr. Jean and said the way Ms. Quinlan had just explained it, if we have the budget caps and you go to the caps and wanted to put enough money in the general fund to build a new classroom, you will have to have it voted anyway the way we have amended HB 667. He asked what the difference is between going to the voters to put this in the general fund or going to put it into your capital outlay fund.

Mr. Ernie said that was assuming that course of action, but what if the district decides to budget within it's cap, without a vote, $50,000 for a thousand square feet addition to special ed facility. He said this amendment would prohibit our district, or any district, from a move of that type. It would prohibit any

new construction out of the general fund.

Senator Waterman said she wondered why you would do that because you would get GTB if you do it through the building reserve and you are not going to get it if you do it through the general fund. Mr. Ernie said a building reserve fund needs to be voted.

Senator Waterman said she believed it would be more acceptable to your voters because you will get those GTB dollars.

Senator Toews said he could see why they were scared to go to the people, but believed that was the problem at the other end of the table now, we just don't communicate with our people. If we can't sell it to the people, we probably should not be building it.

Ms. Quinlan said she would like to clarify a statement Senator Waterman made. The building reserve does not have GTB, nor will it under this proposal.

Senator Toews asked if SB 32 doesn't have GTB. Ms. Quinlan said yes, the debt service fund under SB 32 as it left the Senate, had GTB applied to those bonds, but that is not the building reserve, it is the debt service bonds.

Chair Blaylock said when you are paying off those bonds you do have GTB.

Jim Anderson, Colestrip, said a very simple problem he could see was land acquisition. If you have a lot come open next to your school building and want to expand your play ground and the lot is worth $5,000. You cannot buy the lot without a vote of the people to buy a lot for $5,000. While that example is simple, it is a reality and happens. He wondered if they might want to look at some limits since this would stop at a very small acquisition.

Senator Stang said they recently did just that in St. Regis and the school board put it to the vote of the people as to whether they wanted to acquire the lot next to the school and when they talked about not doing it the people in the town were mad. Even though they voted to do it, they wanted the chance to vote on it.

Rod Svee, Hardin, said when those things come up, often times it is more expensive to vote. They had land that became available to the district, it was less than 1% of either of their budgets, and to have the vote, especially in the larger districts, the vote will cost you as much as the land does. In Billings a levy will cost $15,000 to $20,000 to run the levy and he believed in a lot of cases it was not a fear to take it to the voters, it just didn't make good business sense to do it over trivial issues. If you wanted something like a 1% or 2% or whatever, if you exceed that limit of the budget, you have to vote on it. You are talking about, with some of the districts, major expenditures where gymnasiums have been built or school buildings built and

some of that has been the result of 874 limitations. They could not put that into building reserve or building fund, they had to do it out of general fund, and that is the reason it was funded that way. He believed there were some limits put there that would create some real problems.

Chair Blaylock said this is probably true, but the fact that school districts do some of these things, become highly irritable to the voters, even though it might make good business sense to go ahead and do it. When the people see that the school board has just gone ahead and done it without asking them, he believed it created some problems. There are some instances on the other end where he believed, if you were going to acquire a lot or two lots in a large urban area, that might be fairly costly. He did not know if they could write language or not. When you are trying to write law for the whole state it is difficult to take care of these extremes.

Representative Boharski said to the extent that a district does this out of the general fund and are using it below the 80% level or using state GTB to help purchase, it is the opposite of what someone suggested that there is no state aid. If they are using it out of the general fund and are below the 80% line, then they are using state GTB aid in addition to local non-voted taxes.

Representative Sonny Hanson said there has been some references made to SB 32 and he would like to mention how it came out of the House. The requirements of SB 32 said you would provide funds for remodeling, emergency repair, etc. and other another paragraph would handle health and safety modifications and on the third, it says you will address accreditation requirements. You have three separate approaches and a couple of those may not require bonding and as SB 32 came to the House, it was to supplement debt services under a GTB arrangement which was mentioned here. As SB 32 came back to you it was changed from debt service to actual grants on an annual basis on a GTB basis. Everybody who is eligible receives cash and they can accumulate it. If they want to spend it, they have to apply for permission from OPI to spend it on those three categories. He said it is GTB rated and the big difference is that one is a debt service and the House said it should be for all expenditures.

Motion to amend the amendment: Senator Toews moved to strike "furnishings for new buildings". (page 2, exhibit 1)

Discussion: Senator Toews said his reason for making this motion is that it is a vague and elusive thing that can give a lot of trouble. New buildings never are totally done, they go on for years. He said it was difficult to know at what point you could declare a building completed.

Senator Waterman asked if this meant all of the furnishings for a new building could be purchased out of the general fund. Senator Toews said it was really hard to tell.

Ms. Quinlan said it is not uncommon that when a district bonds for a new building that bond issue will be high enough to furnish the building as well. That is a fairly standard practice. This would allow them to furnish it out of the general fund, but if it is a major project that is not where the money is going to come from. If a building builds a $10 million high school, they are going to also have in that $10 million the money to furnish the building.

Chair Blaylock said, using Billings for an example, when they built their last big new high school, they had enough money in there to furnish it, and if it was some furnishings in Billings Senior High that has been there for years, even under this, they could take that out of their general fund. Ms. Quinlan said it can be done if you accept this amendment to strike furnishings. Ms. Quinlan said you could furnish an existing building in the general fund with this amendment. This only refers to furnishings in new buildings.

Chair Blaylock asked if she was saying we did not need this amendment of Senator Toews. Ms. Quinlan said she did not think it would make that much difference.

Jack Cops, OPI, told of some personal experiences he had. He knew of two buildings that were built and in order to control the cost of the buildings, the cost of furnishings were not included. In both cases the furnishings were provided through general fund monies after the building was completed. He believed that down the road, as this continues, there will be some serious questions as soon as districts find themselves in that position of wanting to provide some furnishings for that building at a later time and needing to go back to the voters.

Senator Waterman asked if the amendment would solve all that and Senator Stang said he did not see any harm in the amendment. He said if he were running the school district that received GTB and running a bond levy to cover it, he would cover the furnishings because the state would help pay for it. This amendment says if a school does not include it in the bond levy they can pay for it with local taxpayers money. It would be a pretty bad administrator, at least if from one that could get GTB, to not cover the cost of furnishings in the bond levy.

Vote: The vote to strike furnishings CARRIED, Senator Van Valkenburg voting no.

Senator Toews said his motion to adopt the amendments would now be as amended.

Senator Waterman asked if, in accepting these amendments, she was assuming that we are carrying this in some way to a capital outlay bill, and assuming SB 32. She believed this could be a serious problem if there wasn't some vehicle out there to equalize capital outlay. We have to equalize capital outlay or

there will be some state problems for some districts.

Chair Blaylock said we will have number one headache problems if we don't get SB 32 through.

Vote: Motion CARRIED, with Senator Hertel voting no.

Special Education:

Dori Nielson said the provisions for special education are not in this bill. She handed out graphs for the committee. (exhibit 2 and 3) She said Senator Halligan's special education bill contains some components of change. On the graphs, the first shows the current special education funding in the general fund and is pretty simple. You have the foundation schedule and the column with the diagonal lines is the special ed money. Currently districts can permissively levy 35% on top of the state funds. Special education actual expenditures, not just assumptions, out of local funds above that line. The bottom section is state money and above that line we see $11 million from districts. They are contributing to state allowable costs, this is the '92 expenditure data, to a tune of over $11 million. Ms. Nielson said these are for allowable costs of special ed, and do not include the base costs of special ed. They include teachers, occupational therapists, physical therapists etc.. It is only the additional costs that a district must expend for special education. On the right side of this paper, we have the SB 348 proposal and you will notice the two grafts look just alike.

Ms. Nielson said that essentially Senator Halligan's bill was take the current system and change the distribution of some of the state dollars, the system of distributing and the amount required from the districts in an attempt to get more equity. The pattern stayed the same, Senator Halligan's bill doesn't change how special education fit in to the general fund and how local districts access money to fund it. She referred to the second sheet. (exhibit 2) House Bill 667, currently, (the big section) will deal with what 667 does right now and the lower part is the 40% the state contributes. She said the little part is the 40% that has GTB and then the 80 to 100% and said she was not addressing the over 100% on this graph. Again special education has a crosshatch, it is still the same amount of money down there, however, the dark box you see above is missing. What they accessed before, the $11 million from local monies, is not addressed in this bill. Districts do not have access to the money they had access to before if this bill is passed as it is.

Chair Blaylock told Ms. Nielson he was getting lost in the explanation and Ms. Nielson want back to the second graph. (exhibit 3) She said the box (upper left hand corner) is missing, there is no money in that box.

Chair Blaylock said in the lower left hand box she has $5 million, $23 million and $5 million. Ms. Nielson said that is the redistribution, that is the way money would now be redistributed. It is the same money you have already put into special education level costs. It is in appropriation.

Chair Blaylock said, then we have this amount of money and Ms. Nielson said that amount of money is there. The other part of the picture is here (the crosshatched box), the other (above it) is not here and there is no local access to local dollars to support the special education program in the districts under this bill at this moment.

Senator Stang asked what the difference for this black box between what we currently do, and isn't that the argument with special ed now, above this amount we are taking from this program (he pointed to a box on the graph). Ms. Nielson said there is some argument there, but if you look at the other sheet and the districts currently have the right to levy 35% on top of all the state money they get, whether it be foundation schedules or from special education.

Senator Stang said they get the GTB for the whole 35%. Ms. Nielson said that was correct, and Senator Halligan's bill has suggested on an equitable basis there be a 25% match from all districts. That would have equated to the GTB and what they could raise on top of education, because now the local contributions range wildly from zero to 100%. Within there, some districts contribute $1 million from the local base to support the other portion of special education. The average across the state is 28% at the present time, in local contributions to allowable cost.

Senator Stang said that is the top part of the graph. Ms. Nielson said (graph exhibit 2) that it is the narrow part and it states levy permissive is 35% currently and the narrow band (to the left) is if they have special ed they can levy 35% and they may even be in the voted range for some of this support, but it is not designated. There is not a match required currently. That is why you are hearing some say they are competing with special ed for regular endowments and visa versa. This amount is to be spent for special education and nothing else here does. Sen. Halligan's bill would ask that each district do a match so there is at least a 25% match from each district. That would roughly equate to the amount they can raise in the permissive range. When you move to what 667 is doing at the moment, that area has disappeared and they would be moving over here (she pointed to a box) because that box does not exist in the structure of HB 667.

Chair Blaylock asked if she was saying the upper left hand box disappears. Ms. Nielson said the amount (in the narrow band) disappears, the narrow band above the special education band.

Chair Blaylock said you refer to the other area and say Senator Halligan's bill allows us to tap into this, but with 667, that changes and you can not get into it. Ms. Nielson said no, she is saying that right now this is what you have. If she gets special dollars and you do not, you do not have the opportunity to levy 35% if we had the same size schools. She could levy 35% permissively if she had a special education program, on top of the dollars she receives. If she receives $100,000 from the state in special ed, then she could permissively levy $35,000.

Chair Blaylock asked what her language would be to fix this. Ms. Nielson said it is a case of her being able to do it with language, but the committee would have to do it with $4.8 million because it was not factored in from the beginning. That is why she has been so concerned about this from committee to committee, that when it wasn't factored in from the beginning, the cost of it is not here. Above $3 million in GTB has supported the special education local costs in the past and those have disappeared in 667.

Ms. Nielson said that currently, this box is missing, there is not local access and they cannot raise money based on the size of their special education program. With a small one or a large one, you still have to compete over here (she pointed to a box) to raise the local money to support that special education program. The solutions are 1) you could fill in this whole box with state money, and if the state support were increased for allowable costs we would not have the need for the local assets. That is not a reality, and the special education commission that tried to find a way to be a little more equitable, knew more money was not what they would come in with. They need the access to local dollars, they can't do it with just the state money.

Senator Brown said he was curious to know how the $3 million or $4 million disappeared. Ms. Nielson said Jim Gillett could probably explain how it disappeared, but when they ran the regression, they subtracted out the special education money from the state, they did not subtract out the amount that districts spent (that additional $11 million) and it got run with the regression formula for the 80-100 of this bill. The fact that they could access it, no longer was considered and it just sort of disappeared.

Senator Brown asked Mr. Gillett to comment on this. Mr. Gillett said the GTB aid money that is currently used to support the 35% share on the special ed allowable costs and the allocated costs of special ed co-ops, is currently in the funding base in HB 667, so the money is there and used to support the 161% GTB level that is there today. The 35% expenditures were also left in the budget base that districts will be driving their 104% budget factors off of etc.

Senator Brown asked what does the $4 million mean to the 161% and asked if it was about 155%. Mr. Gillett said it depended on what

else was playing on the factors when this was done. He believed it would be 6% to 10%, something like that. The other factor that is playing in, and he had not had a chance to discuss this with Ms. Nielson who really is the expert on special education, is that some of that in the second year is probably supporting the new ANB. In the first year, that is not the case. He would suspect those ANB are generating somewhere between $5 million to $8 million in budget authority for districts because you ask for about 2,000 ANB and each one gets you from $3500 to $3600 on the average. It would be less for an elementary than for a high school, in additional budget authority. There is some budget authority there, but how it all fits together, he would have to talk with Dori to see how the whole package works. The select committee discussed the issue a number of times, and really was waiting for SB 348 and coordination of how the two would fit together. Once the status of SB 348 was narrowed, coordination was to come at that time.

Senator Toews said in the second year, if this is adopted, special ed would be driven by ANB. Ms. Nielson said in the second year of the biennium, full time special ed students will be counted and they have not been in the past. Those are for different costs.

Senator Toews asked if in the diagonal lines, that is in addition to what we will get from those based on the ANB and Ms. Nielson said the diagonal lines are only the $33.8 million, the addition of the special education students to the count we use for ANB was essentially an equalization, in that there are no base costs for those full time special education kids. If she had full time special ed kids in her district, the only money she would receive from the state for them is the allowable costs which are for the special education teacher, physical therapists, etc. She would get nothing for things like administrator, etc.

Senator Toews asked about the second year and Ms. Nielson said she would receive a sum for administrators, etc. in the second year. In the second year you people took the pie and you didn't cut it into six pieces anymore, you cut it into seven and did not put more money in, just divided up a little thinner.

Representative Simpkins said on the comment of the pie, he thought an interesting analogy had been made, that you don't want to consider the actual dollar amounts while you are figuring out the program. Under the program, Ms. Nielson says the ANB doesn't really count, but it does. It counts for the total budgeted package when we put more money in over here and eventually look at the whole ball game and wonder how we want to keep these funds separated, then we juggle the funds to keep these things in balance. We put 2,000 kids in the second year and that is more money going out to the districts that technically should be drawn down and put into special ed accounts. The first thing is to make a decision on how 348 is to deal with this problem, which it can do using 348 by putting GTB into it.

Representative Boharski said it occurred to him that the things that Ms. Nielson and Mr. Gillett have related to you suggest goes back to the previous discussion about capital outlay. If you look at the blue sheet, the current '93 general fund budget is artificially high because they include the local contribution for special ed, the GTB money in special ed and any outlay came out of this fund. Those budgets were used to drive the regression line which drove the funding mechanism, the 200,000, the 18,000, the 4900, 3500. If you are looking at the money without having to spend more money, you could go back and pull those out of the $555 million and recalculate what the model would have to look like to reflect the real general fund without capping expenditures, without special ed.

Tom Biladeau said he was a bit concerned about the quality of data we have available to segregate out actual special ed costs. He thought that might be a bigger chore than the auditor's office or OPI could take on at this point in time. There are a couple of other ways you can weight special money in. Weighting the students would be one approach and some have gone the route of weighting the special ed students and that gets rather complicated and is something we have not done historically. Alternatively, he suspected there could be an allowance built back in at the maximum level for those districts that have actual special ed costs that they can identify to exceed what otherwise would be the maximum count.

Ms. Nielson said she would reiterate that Senator Halligan's bill came from a commission. As to that special allowable amount, she would recommend not touching how that money is redistributed between us. She said she was not referring to how much was put in or not put in, but the method of distribution, those people worked long and hard on that. They weighed it, they looked at several other states and tried to find something that was the legitimate way of distributing it and she did not believe, at this time, the method of distribution should be addressed.

Ms. Nielson said that even if Senator Halligan's bill did not exist or didn't pass, or even if it passes, it goes into effect the second year. The first year, somehow there is no local access and that is what she believed the concern ought to be now. She would like to see the legislature add $4.8 million to this bill, and that would be in keeping with the way the bill was designed originally. Some of her colleagues have several other ideas and suggestions. She would like the committee, in some way, to continue the recommendations of that committee in the bill structurally and try to make it work with whatever your decision is.

Chair Blaylock asked if she were saying, previously, or if we had the schedules, they would be accessing this $4.8 million thorough special levies. Ms. Nielson said they would have been accessing it through the permissive range. They would have accessed $11 million which are roughly, the expenditures locally and most of

them in the permissive range and several of them getting GTB. In order for them to continue doing that, the guaranteed tax base ratio now, in HB 667, pays more per mill, less the levy. Consequently what cost the state $3 million in GTB this year, under this bill would cost $4.8 million. There is about a $2 million increase in the amount they would receive if you were to add back in access to local money.

Chair Blaylock said if we had it we could put the $4.8 million in. All of the other k-12 people will take a hit if we don't get some more money. Would special ed be taking any kind of a hit if we put the $4.8 million back in. Ms. Nielson said if you just took $4.8 from some tree and put it in, the hit would be somewhere but it would not be here. The districts would be back to their ability to access money in the same way they are doing it now. It isn't hitting anybody in education if we put $4.8 million in from another pot.

Chair Blaylock said what he was asking if K-12 is potentially taking a $40 million hit as of right now. Are we saying some of that $40 million will be coming out of that crosshatch area. Ms. Nielson said, at this time, no.

Chair Blaylock said then, if we put $4.8 million up there at the top, which you say they cannot access now, that would be the state contribution. He asked, if we did this, would they still be down about $7 million and Ms. Nielson said no, the $4.8 million is how much the state would have to contribute. We would allow them to access the $12 million or $11.8 million they need to support their special education budgets. A contribution of $4.8 million from the state for GTB would put them back on the footing of allowing them to access locally the $11-12 million they would need annually to support their special ed allowable costs.

Ms. Nielson said that right now, there isn't even a mechanism to access it if it is not GTB, as they are currently doing it. You are giving them a huge hit right now if you don't give them access to special education and you are selectively hitting. You are hitting the districts that have the large special education programs and you are not impacting those that do not have special ed programs or small minimum programs. She said there is a contribution of over $1 million in Billings, and some of the districts have very large contributions and they are not going to reach it. The $4.8 million would but it back on the current status with the original GTB amount.

Mr. Gillett said they would be happy to work with Ms. Nielson and take the entitlement amounts they are talking about in special education and begin by modeling them in a 40-40-20 scenario as is in HB 667 now to see what those numbers come out to, cost wise. You could then have a picture of what additional resources might be needed and how the system would look if it were parallel, and then you could discuss with the special education folks whether

it should be 40-40-20 or 50-30-20 or what. He said they could create a model for the committee so they could see how it might look to provide budget authority on a similar basis to what is in the 667 model now and fund it on a similar basis. This could be the beginning points to discuss something a little more concrete than "it just doesn't work". We are behind the eight ball and it just doesn't work and that may be true, but we need to work forward from that. He said he would offer to do that if the committee so desired.

Chair Blaylock said he would speak for the committee and any member can disagree, he did not believe any of us understand this whole difficulty and would request that Mr. Gillett do precisely that. Mr. Gillett and Ms. Nielson get together, get this hammered out, and bring something back we can work with and can put into language we can put into this bill.

Chair Blaylock said the committee is limited on time, there is only an hour available in the morning before members have to leave for other committees and we have to have this ready to put out to the full committee by Wednesday morning at 6:30 a.m.

Special Education was left at this point to be resumed following more information.

Senator Stang said since this morning he had asked the Auditors to look at what the weighted GTB does to retirement and they are working on that model, but do not have it yet. He said much as he believed in the concept, he would like to see those figures before he tried to push it through.

Chair Blaylock asked if that would include the stop loss and Senator Stang answered yes.

Senator Waterman asked if he was going to include retirement in the weighted GTB and Senator Stang said presently we use some GTB in retirement, and he needs to know what effect it would have if we use weighted GTB. He believed if weighted GTB is used, it should be used for capital outlay, general fund and for retirement. If retirement really skews it, then it might not be as good a concept as he had believed. He said he would appreciate waiting until tomorrow morning to handle this.

<u>Retirement:</u> Question 10, page 3, Exhibit 4, 4/2

Senator Waterman had not been aware we were doing this with the GTB, but her feeling was to leave it the way it is on the county levies with GTB.

Senator Stang said his preference would be to leave it the way it is, but if we are going to use the GTB for this concept for capital outlay he would also want to tie in the weighted tax base to the retirement, but still leave it where it is, outside of HB

667 and just use that weighted tax base. He said he believed we had come close to equalizing retirement, perhaps not where it should be, but something we do not need to get mixed up with in this bill. He believed it was a separate issue and could be dealt with at another time.

Chair Blaylock asked if he thought right now, across the state of Montana, retirement has been fairly equalized. Senator Stang said he believed we were close, not exactly there, but it is an issue which should be separate from this issue. He would hate to see this bill die because somebody doesn't like the way we equalize retirement.

Chair Blaylock asked if Mr. Gillett had run this and knew if it was true that retirement is fairly well equalized. Mr. Gillett said Rep. Kadas, in his presentation to the committee, said he thought that. Equalization is sometimes in the eye of the beholder. It is probably on a more wealth neutral basis than many other things that are done on a district by district basis, just because of the boom effects that a county might levy. Whether it is actually equalized is probably a big question.

Mr. Groepper said he believed the question you have to ask yourself is how are you going to measure this equalization. His office has looked at it to the degree that we can tell you that county to county, there is a difference between some counties levying zero mills for the cost of retirement and some levying 40. That is not equalized on a taxpayer wealth perspective, but he did not know what it looked like on a per student basis. There is 40 mills difference and a large amount of that difference is in non-levy revenue. If you took into account non-levy revenue and you did the same thing in retirement, you would probably move a lot closer to taxpayer equity. Right now, some districts have non-levy revenue and they don't have to levy any mills.

Mr. Melby said we have to be careful when we say we are equalizing the general fund and then we will equalize retirement and then equalize capital outlay and then equalize transportation. The Courts, in terms of equalization, look at a school funding system, and it will not break these down into various components. He said the first law suit did concentrate on the general fund, but basically they were looking at school funding as a whole. It is very possible, with HB 667 and SB 32, and doing nothing with retirement and transportation it might be acceptable. He pointed out that he was not urging them to do that, but did not want to see this get so complex and top heavy with so many things in it, that it finds opponents and cannot pass. He said it was possible leaving transportation and retirement as they are and with HB 667 and SB 32 the Courts might deem it satisfactory, but did not think they would go back in and break it down into various little components and approve or disapprove each. They will look at it on a per student funding basis. He said retirement as well as transportation are complex

issues and is necessary not to get the bill too top heavy. Proposing a state wide mill levy of 23 mills may or may not bring up more opponents to the bill, may bring supporters, he did not know, but said this was just a word of caution from them.

Chair Blaylock said he liked what he said, but as he read the Lobel case, in which the Supreme Court largely reaffirmed, they did mention those as part of the problem. Mr. Melby said that was his point, that the Supreme Court will want to look at this as a system, not different components. Transportation is another issue all together. Different schools have different transportation costs, how far those kids live away from the school is an educationally relevant factor. There is a school district in the Kalispell area where no student lives farther than 3 miles away from school and there is no transportation cost. There are similar size school districts in the eastern part of the state where they have to have 4-wheel drive busses that travel over dirt roads for many miles and they have tremendous transportation costs. Equalization in these instances, as Mr. Groepper mentioned, are taxpayer equity issues. Unless we can find a way to solve the revenue problem in this bill we are not going to be able to solve those problems.

Don Waldron, MREA, said he would like to reaffirm the point Mr. Melby made about a system. He has some transcripts and he left a copy for people to read if they desired. (exhibit 3A) They keep dealing with "it is a system we want to talk about" and it is not just one isolated part of it.

Representative Simpkins said transportation and retirement would be out of the parameter of 667, they would be side accounts and we would worry about them separately. Mr. Waldron said yes, but you do have to deal with all of them. Rep. Simpkins said the recommendation was not to blend in those at this time, into 667. He asked Mr. Melby if that was what he was referring to as getting top heavy. Mr. Melby answered that he believed eventually all of these will have to be dealt with. He wished they could be dealt with in this session, but we are already taking $40 million out of this bill and we hear other demands in order to provide school districts the ability to raise their non-reimbursable portions of special ed and we need more state funds there. He was concerned about adding so much in here and trying to make taxpayer equity that we come out with a bill that doesn't equalize anything, gets too top heavy and enough school districts that get hurt, that the bill will not go any place.

Chair Blaylock asked Jan Thomson about action three years ago and what was done to transportation. We did not get the money we thought we would, but since she dealt with this all the time, he asked what her feeling was. Ms. Thomson said they have established a working committee with organizations of various education organizations around the state and our office, and since the two bigger issues are general fund and retirement, this group would like to work on it for the next two years. They

don't want to do piece meal things to transportation, but develop one package and whether it turns out to be block grants for transportation to school districts, or whatever, they don't want to see small changes. They want to do the entire thing at once and some of those individuals are representative of law suit 2.

Motion/Vote: Senator Stang moved we do not include retirement and transportation in HB 667. Motion CARRIED, Senator Van Valkenburg absent.

Per-ANB Reduction Factor:

Senator Stang asked if Chair Blaylock had the information that Senator Gage wanted on the ANB reduction factors. Senator Gage had asked for some information on what it cost to take that reducer and increase or decrease it by a penny. He said it is amazing what a penny will do to that, and it might help the committee make a decision.

Mr. Gillett said he had prepared a chart which they had made up at the request of Senator Gage. (exhibit 4) He said if you were to lower the first two reduction factors on 20 cent and 50 cent for enrollment in the model to 19 cents and 49 cents, it would cost you about $375,000 to $400,000 depending on which fiscal year you were in. He said that is the state cost, the additional direct state aid would be $.5 million per year which is generated by one penny. It would cost you that much more to lower them by a penny. If you were to raise them by a penny, it would save you about that much. When you put a penny on 150,000 students, it adds up pretty fast.

Chair Blaylock said he believed the committee had agreed to wait until tomorrow morning to vote on the stop loss issue.

COLA or Inflation Index: # 13.

Mr. Gillett said he had prepared a chart on what it might cost to put a COLA (Cost of Living Adjustment) factor of various percentages on. (exhibit 5) He said all the chart does is give the direct state support, GTB state support and Total state support and the first lan area is the current projection based on the bill as it exists today. This is a projection for FY '95. If you were to put in a 1% COLA in this year, '95, that would generate $3.7 million in additional state cost. He compared the remainder of the chart and said that is what you would be looking at with those sorts of COLA factors.

Senator Brown asked how he envisioned this COLA working. Mr. Gillett said when he computed these numbers, they simply took the model as it exists and took the 18,000 to 2,000-3500 in 49 and took those budget calculation factors and inflated them by 1% and then took those numbers and created maximum and base budget loss to the state. It would be changing each of those factors by 1% and rounding to the nearest $10.

Senator Toews said he couldn't see why you start doing this now, we don't do it to anything else. He said it feels good when inflation is low, but when it takes off, this kind of stuff can go wild. He said he would rather do battle for adding more money to the whole program every two years than to have this kind of thing built in and have it be a problem.

Senator Stang said if we build it in, we could say we will build a 4% increase in this year, but when the Legislature meets next year and the money isn't there, the "Legislature giveth and the Legislature taketh away". It sounds good on paper, but he would hate to have the districts be so optimistic as to think they would get that 2% or 3% increase and have us come and grab it back next session. He would rather be more realistic and probably not give them the increase on paper and hope we could say next year they would increase it and say that is where we will try to go, rather than try to give it to them now.

Senator Brown said he could see the specter of what happened on the national level when Congress indexed social security to the cost of living. It is a good hearted, compassionate kind of thing to do, but he agreed with the two comments already made, that it is a dangerous thing to get into, and it would be a mistake to do it.

Motion: Senator Waterman moved that for now we not include a COLA.

Discussion: Chair Blaylock said he would agree. In two years when Legislature comes back, and if we are in as tough a shape as we are now, there is no way we can do this even at 1%. He said he hoped there would not have to be cuts again.

Vote: The motion CARRIED, Senator Van Valkenburg absent.

GTB state aid: # 14.

Senator Waterman said it seemed to her that this one should be sort of the final wrap up. By the time we get done adding and subtracting that is really the balancer of how much money the state has to put in. She said this should be done after decisions are made on special ed weighted GTB etc. and based on how much money we have to put in we would adjust this number.

Chair Blaylock suggesting leaving this for the conference committee and Ms. Waterman said she thought it had to be handled in this subcommittee.

Non-Levy Revenue:

Mr. Gillett said he did not have a clue as to whether they had guessed right or not. They did have some information on the effects of the non-levy revenue amendments that Representative Kadas has been talking about. He said he was not sure that this

is the right information at this point in time. It is the effects of HB 667 mills for the mandatory budget under current GTB system with the Kadas amendment under the current GTB system. He handed out the information. (exhibit 6)

In answer to a question as to what the Kadas amendment was, Mr. Gillett said it was to take five of the non-levy revenue sources and bring them into the state and redistribute them as state aid to schools. As he recalled, those five sources were coal gross proceeds, new and inter production on oil, local government severance tax (LGST), corporate license tax and motor vehicle fees. Those were the five he was talking about. The fiscal year '92 actual revenue levels will total to about $19.5 million. You would be bringing that in and then redistributing it back out to schools through an increased level of GTB or a change in the 40-40 or some technique like that.

Chair Blaylock asked if it would be about $40 million on the biennial budget then. Mr. Gillett said yes.

Chair Blaylock asked Jim Anderson, Colstrip, to address this since it hit him harder than probably anyone else.

Mr. Anderson said originally with the aid they would get the trade-in, the flat tax on coal, or the flat tax on oil for those that are in the oil producing counties. There are only three coal producing counties, and part of the trade off was that we lost millage and the millage dropped. He said Mr. Waldron has a hand-out for Savage (exhibit 7) which is much larger because their mill does not bring in as much. He said they lost approximately $55,000 on a mill and at that time it was $212,000 which doesn't sound like a lot because we are a rich district. We have lost the millage and now turn around and lose that non-levy tax revenue with a flat tax on coal.

Mr. Anderson said the same thing holds true for all oil producing and coal producing groups and we are all concerned about it. It means that our levies will go up and appreciably they won't go up as high to hit us, because again the mills will bring $170,000 but if you take Savage, you can see what happens. He believed his mill went from 4 to about 1 and he will have to raise almost 100 mills to make up this difference. It is a real big hit for anybody in a smaller district. His concern, because they ran a levy that will be voted on tomorrow, is that we will probably lose that levy for the first time ever because they feel with everything that is coming here, it will all go to the state anyway, so why pass a levy to give it all to them.

Rod Svee said he had some handouts, but to piggy back on what Mr. Anderson was saying, we have cut the taxes we control for five years in a row, the school trustees have. We can't pass a levy either, because HB 28 increased our district taxes 47%. The people are so angry about that, the first time we voted three times and were able to pass the third go around. This last year

we passed the elementary the first time, lost the high school twice and simply cut our budget because it was obvious we were never going to pass our levy. The anger they are facing, he believed, was not unusual. He passed out copies of Terry Cohea's work on the proposed rules implementing HB 28 to bring up a couple points. (exhibit 8) At the bottom of page 8 he read the paragraph on Solution proposed.

Mr. Svee said these calculations were excluded from portions of GTB because of the volatility. The flat tax depends on market conditions and the reasoning in HB 28 runs counter to the thought now of putting those sources of non-levy revenue into this bill. He gave a recap which came from earlier pages in the same document. (exhibit 9) He read from the exhibit. He said he had figured it out and the LGST and the coal gross proceeds now comprise 55.06% of the total non-tax revenues. He has that in the categories that were run specifically for Rep. Kadas. The figures are $15,587,000 for all of those categories. LGST accounts for $6.7 million of that, coal gross proceeds over $1 million.

Mr. Svee pointed out that the bottom part of the question, if they are equalized or are still part of the GTB mill value computation, which they are at the present time, and the last sentence, the taxpayers that are left in our district. When the non-levy revenue, the coal, oil and gas, was pulled out of the taxable value it left a very small core, in some instances extremely small across the state, of taxpayers to absorb all future mill levy increases, and if you take this non-levy revenue away from the districts, you are going to impact that small core of taxpayers in a very inordinate way. In his district, the first year taxes went up 47%. He said he had the figures, which is an analysis prepared by Madalyn Quinlan, OPI, and it was issued in May of '92. (exhibit 10) This compared the local government severance tax distribution to fiscal 1993 estimates. He drew attention to Chinook elementary and high school, based on the estimates, have already taken a $51,000 cut in the two budgets and in looking at their actual '93, they came out relatively close. It is not just what you are talking about now, many of these districts have received impact already. They have lost non-levy revenue, even before this proposal.

Mr. Svee handed out another handout. (exhibit 11) He said he had taken documentation he had available on Saturday and Sunday and said there is one typo on the document, on the Forsythe high school, page 2 which shows percentage at 82.9 and it should be 8.29. He explained the document as showing impacted districts which were impacted by LGST or coal tax in excess of $10,000. The percent figure in the 5th column is the percent of the total for the state. The net proceeds tax was one of the categories and the figures are included that had them. The coal tax proceeds impact only 7 districts. In impacting 7 districts, it is Colestrip high school and elementary, Savage high school and elementary, Hardin high school and elementary and Squirrel Creek

elementary. Mr. Svee said there is a significant difference between how a high school district in one community may be impacted as regards to the elementary in the same district. There is significant difference, depending on the coal tax generated. In his own district, his impact is because of Squirrel Creek elementary and it's involvement in his high school district, not the elementary district itself. The percent figures next to the coal gross proceeds, that is the percent of that figure to the state wide total. The current general fund budget, less 874 and special education comes from the print out the auditor's office has prepared for you. The change in mills to restated FY '93, is from the same auditor's print out. The final percentage figure is the percent the LGST or coal gross proceeds has to the current general fund budget, less 874 and special ed. He put that in so you could see the impact that some of these have on individual districts. He took these figures and compared them. The only taxable values he had in his office was a '91-'92, so he would apologize, but they do speak to what he is talking about. Hardin elementary and Hardin high school would show a millage increase if you took their coal tax of 43 mills, that is a 27% increase on their millage. He went through some of the others on the chart and read the amount they went up. He said the impact on individual districts is tremendous and to then force them to go back for a voted levy, we would be facing under this scenario a 74% increase, even though we pay taxes.

Senator Blaylock asked how to reply to the question he keeps hearing from the people who are working the budgets and programs and they say that one of the continuing causes of disequalization is because of the non-levy revenue situation. He asked how he could reply to that and what could be done. Mr. Svee said if you look at some type of an equalization and apply the impact equally in a state wide levy (some method similar to GTB) where you are not taking a single source of revenue from us, where it impacts us so much more than some other districts. The people at the select committee said you have to understand that your district is going to take a hit. My people certainly understand that, but when you take the coal tax and leave my farming and ranching community to absorb the cut that is left, it is not fair. If you want to put the coal tax into the pot and put it into as Mr. Melby said, 23 mills for retirement, on a state wide basis, that is equitable. If everybody takes the hit, fine, but don't give a break to one segment of the economy, that is where he gets the anger.

Chair Blaylock said probably one of the biggest reasons non-levy revenue has even come up in a discussion is because of the severe shortage of money up at this level. We are in trouble. He asked how his community, as he knows it, would vote on a sales tax. Mr. Svee said his community would probably be split. Knowing our levies failed, the high school twice, the first time by 34 votes and the second, by the largest turn out in history, failed by 20 votes. You can't get much more evenly divided than that and he believed it would be the same on a sales tax.

Mr. Anderson said they had only spoken on coal and he did not know if there was any oil districts here, but they have the same basic scenario with oil.

Mr. Groepper said he would remind the committee that the heart of the problem here may be that some of these revenues were excused from the 40 mill levy back when HB 28 went in. If oil, gas and coal had the 40 mills on it, we would have the $40 million you are talking about here in non-levy revenue recapture and that is part of what we are talking about. They don't pay the 40 mills and so they don't support the growth and foundation program or the capital outlay. He said another way to "skin the cat" on this problem is to figure out what the 40 mills would have done to the oil, gas and coal and put that back on. That causes some problems on the other side of the equation.

Senator Brown said he thought the House wisely stepped back and he thought we should do the same thing.

Motion: Senator Brown moved we not attempt to equalize this area of non-levy revenue.

Discussion: Senator Hertel thought that was a smart move. If we wanted to look at individual things like motor vehicle, all the areas have cars, but these people in the eastern part of the state took a "whammy" with HB 28 and to impose this on them too, would be a double one.

Chair Blaylock said we have to remember that none of us had a lot to say about this, the Supreme Court said this is what you are going to do. If misery likes company, we have it. He understood the state of Washington is $1 billion in the hole, California is a disaster with it's school system, and Michigan is actually shutting down schools.

Vote: The motion CARRIED, Senator Van Valkenburg was absent.

Enrollment:

Chair Blaylock asked Ms. McClure to explain the question of enrollment. Ms. McClure said she would ask OPI to explain, they did some amendments in the House and OPI wanted to discuss this.

Ms. Quinlan said she could talk about the language proposed for ANB but could not give the cost figures but the Auditor's office is working on that now. They proposed to revise how they calculate the number of students in a district for funding purposes. Currently, the ANB count for this coming school year would be based on the students that were enrolled during calendar '92, so in the spring semester and the fall semester of '92, those students generate the ANB for funding purposes for the fiscal '94 school year. This creates a lag where there is one semester that has already happened but the funding is not rolled in on those pupils. They want to move that funding forward a

semester so that the previous school year would determine the funding for the ensuing school year. The way we propose that, so we will have the numbers available to the districts when they put their budgets together, is to take an enrollment count on October 1 and another on February 1 and use the average of those two counts to determine funding for the following school year. They also have a calculation that works in pupil instructed related days (PIR) as well, but the gist is that we would take an average of those two enrollment counts.

Chair Blaylock asked if they would do this next year and Ms. Quinlan said they would do that for this coming school year. We do have an October 1 enrollment count, we do not have the February 1 enrollment count, so in the first year we would use the October 1 count.

Chair Blaylock said in the next year you would roll in the February count and the October count. Ms. Quinlan said yes, and the advantage of that is that we would have a more current system for districts, especially when they are seeing enrollment increases and the preceding school year would then drive the coming school year as opposed to being that much further back in time.

Chair Blaylock said it sounded reasonable to him. Ms. Quinlan said they would bring the cost of this to the committee. Chair Blaylock said probably the committee is already aware of it, but because the figure was given in the hearing on HB 667, somebody in the testimony said that Montana is facing 7100 more students this year. Ms. Quinlan said not this year, we are looking at a growth of 7100 students going through the next biennium. We are looking at 3900 additional students next year and on top of that 3200 in the following year.

Chair Blaylock said in effect, we will be more fair to the school districts that are receiving this influx, the only thing is we are short of the money to even help. Ms. Quinlan said there is a cost associated with this. She said the other cost that is not rolled into this is that districts are going to see an enrollment increase next fall anyway and they can apply to the state for additional spending for that enrollment increase. If we get onto a more current system, it will alleviate some of that additional expenditure.

Senator Stang asked if this was discussed in the Select committee, and did they look at the different enrollment dates. Representative Simpkins said they had an amendment drawn up for that purpose, but thought it was too hasty. They did not have the actual cost figures, and it would be better to have it drawn in here. He said he would have to ask Ms. Quinlan a question because of the terminology. The one time he worked with the OPI changing from attendance to enrollment and that cost $1 million and asked if we are still dealing with attendance, or are we dealing with enrolled figures. Ms. Quinlan said we are dealing

with the October 1 enrollment count.

Representative Simpkins said at the present time it is attendance that determines the ANB and we will change that to enrollment. He said changing it to attendance was $1 million, and upgrading it may cost $2-$3 million more. Ms. Quinlan said that is what they will hopefully know by tomorrow.

Representative Simpkins said in the long run, you are developing a plan you want to do, then we will go back to the figures and see how we balance out the money. This is more equitable because we are talking about two times October for the first year and then the Oct. and Feb. which makes you more current when you go into it. They just didn't have time for the figures.

Representative Boharski said he presumed when you do this, all of the calculations that are associated with school funding, mill value for ANB changes, mill value for enrollment, everything changes. He asked if that was why the Auditor's office runs those for you. Ms. Quinlan said there is an option in the first year because we have already calculated for districts for their preliminary budgeting at this point. We calculated their mill value already for fiscal '94 and that was based on tax year '92 and fiscal '93 ANB, so you don't necessarily have to change that part of this. Going into fiscal '95, those updates will have to happen because we would change the way we calculate ANB.

Chair Blaylock asked if she has the language for this and Ms. McClure said yes, she has a copy.

Senator asked if we don't need to know what the cost will be. Chair Blaylock said that was a good point, but when it comes to the state and what we say we are going to do, it is a more fair proposition to the school districts across the state, that we pay them on a more accurate count than we have been doing. He agreed the money was a real problem.

Mr. Groepper said you are going to have to pay this either way you do it, except for the 6% now, that if you are a year and a half late, the school district has to have a 6% enrollment increase before they can come in for a budget amendment. What you are really talking about, is only the 6% you wouldn't have to pay if you used a year and a half old figures. We are trying to avoid a lot of confusion on the part of the school district and a lot of extra work on our part by using a current set of numbers. He said it would be different than your analysis, but in the end your analysis is going to have to take into account this fall's enrollment report, or you will understate what the cost of 667 is going to be.

Chair Blaylock asked all those in favor of rolling this new way of calculating into our HB 667 to vote yes, opposed no.

Vote: The committee voted unanimously to roll the new way of

calculating into HB 667. Senator Van Valkenburg was absent.

Note: Ms. McClure said this is a concept amendment and a copy is not needed for the minutes, it will be in the final report.

Ms. McClure said we have already decided on the policy in both subcommittees, but earlier in the week there were some technical, mechanical things in the 874 funds and since Hardin and the people are here, we think we resolved that and Ms. Brannon wanted to address it. If the committee agrees, we will draw up those amendments tomorrow.

Lynda Brannon, representing Indian Impact Schools of Montana and Montana Association of School Business Officials, said her concern comes with the taxpayer that happens to be left in the Heart Butte district. They have one taxpayer, Lame Deer has four, and Rocky Boy has four. Ms. Brannon said by putting these districts under HB 667, we are forcing them up because we do have some districts, after you take out tax aid in special ed, that fall below 80%. We are bringing these districts up and in Heart Butte's case we are telling that one taxpayer "you will pick up the entire tab". They also receive great amounts of GTB subsidy. She checked out with the national organizations and other states that do it the way she would like to propose, and it meets the intent of impact aid. Her proposal is to basically do impact aid districts just like all the other districts and quit making them the exceptions to every rule. They would calculate their ending fund balance and their non-levy revenue against this subsidized 40% area, just like everybody else and then calculate the GTB subsidy. We already have the ruling from the Dept. of Education that says you cannot use 874 to increase that fund balance to decrease state subsidy because that would decrease what the state would pay the schools.

Ms. Brannon said if we calculated the GTB just like everybody else does and then allow the impact aid funds that are already here in another fund, to be channeled back in and backfill those mills that have to be levied to the one, two, three or four taxpayers that are left in a district. It would be more in accordance with the reasoning as to why we have impact aid in the first place. It is to assist the areas with their local levies. This is basically just like it was pre-House Bill 28. When we had 6 and 4 mills, the districts would use their impact aids to offset that. When HB 28 came about with the GTB and the mechanism that was set up, where you had to use your cash reappropriated against your permissive area before you got a chance to calculate GTB subsidy, it brought everything out to a head and we had to keep everything all separate. Since we have that decision from the Department of Education that we can't use it, no matter what, to offset state aid, then why not allow those districts to use that impact aid account as a deposit enrollment fund and then turn around and transfer back out and fill in these local levies. Not only in general fund, but in transportation fund and all of these others. That way there wouldn't be one set

of rules for districts if you did receive impact aid and another set of rules if you do not receive impact aid.

Chair Blaylock asked what that would do to the one taxpayer, would he/she be lowered or not. Ms. Brannon said it would definitely lower their individual levies in the general fund. As it stands now, they still have the permissive transportation if there are any mills, or any of the state and county mills that they are picking up and they are the only ones in their districts that are actually paying this. Basically, we have put into place a system that penalizes the taxpayer for living next to federal land.

Senator Brown said he believed what Chair Blaylock was looking for is what does it do to the taxpayer in terms of his tax bill to stay in Heart Butte. Ms. Brannon said it lowers it. He was also the one that had a dramatic increase with HB 28 and will more so now, with this provision because those districts have to get up to 80%. The impact funds, as it stands presently, if a district is heavily impacted because of no taxpayers and no tax base, they cannot go above 80%. Again, we have the exception to the rule.

Chair Blaylock asked Kathy Fabiano, OPI, to comment on this issue. Ms. Fabiano said she had a couple concerns with what is being proposed for 874 money. She said if she understood the proposal correctly, we would keep this separate impact aid fund, but the only thing we would do out of it is transfer 874 funds into other funds as a funding source. She said she would see that as an unnecessary fund because if you are only going transfer money out of that fund, she would not create the fund in the first place, just deposit the 874 funds in the year that it is received, in the fund where you expect to spend it.

Ms. Fabiano said another concern she has is that they have a ruling from the Dept. of Education that says how we are supposed to calculate when we get to the end of the year. If a district has a fund balance, there is a calculation in administrative and judicial rulings that tells us how to calculate, and how much of that fund balance is 874. Currently in the bill, if you transfer any 874 funds into the above 80% area, some of the money that is left at the end of the year is going to be 874 funds, and according to what the Dept. of Ed has said, we have to calculate the fund balance as to what it is made up of. Because anything that was in that fund balance was reappropriated into the 80% area and we don't pay GTB on that, we would be right back into the situation of where we are using 874 funds in a state subsidized area of the budget and the Dept. of Education has said we cannot do that without jeopardizing our 874.

Ms. Fabiano said if we are going to do this she would say two things. 1) Go ahead and allow, if you want, 874 to be transferred into that 80% area of the budget and pay GTB on that, but don't allow 874 in the general fund above the 80% area. 2)

Instead have those expenditures occur in this separate impact aid fund so that we don't have this continuing to identify what is 874 when you get to the end of the year. If it was in the 80% area and you are paying GTB on it, if they did spend it, that would get reappropriated, but back into the 80% area and since you have already paid GTB on it in the first year, you wouldn't run into that problem of having 874 in the 80% area and not paying GTB on it.

Chair Blaylock asked if when she said the 80% area if she was talking about below the 80% and Ms. Fabiano answered yes, the zero to 80% area. Chair Blaylock said you would put the 874 money in there but not above 80%, and she answered yes, but she would like to qualify that. Their recommendation would be that you at least require these districts to levy something on those 1-4 taxpayers and their proposal would be to look to the prior year and see what other districts levied on average in that area of the budget and require that 874 districts at least levy that average on their taxpayer before they move in that 874 money. There should be some local effort in the 80% area.

Senator Stang asked if we are doing this for all 874 districts or just those with a few taxpayers. Ms. Brannon said it means all of them.

Rod Svee said he would like to address the concern of Ms. Fabiano. Within the notes he had looked at from Ms. Brannon, the way the fund will be structured is that in the first year, any 874 money that is presently identified as 874 within the reserve, would go into that fund, in addition to the current year receipts so that it would be established that was the limit. In the future, it would only be the receipts that would come in and you would not be worrying about whether it was in the budget and identified in the 80-100% area or anything else. You would have a pool of money clearly identified. If it is transferred out of that fund and into the general fund, it is then considered tax money and it co-mingles with the rest of the state and local funding, it loses it's identity and is no longer 874 money, it is gone as far as 874 is concerned. He believed that was the way it was intended originally.

Mr. Svee said in regard to the second issue, if you think that local taxpayer should have input into a tax levy of some kind, they do in fact when the 874 money comes in because 71% of his school district is nontaxable federal property. When he gets an 874 dollar, that is a local tax dollar to him. If he could tax that property, and his figures are off a little since they are not updated to current, but for the million dollars we receive in 874, we give up $14 million in taxes. He would much rather have the taxes. When he receives that tax money, that 874 money, they use it to lower levies, we use it as it was intended. To give you the impact of what that means, his figures from 1984, that one taxpayer in Heart Butte, to replace the 874 money, would pay 9,087 mills. In Lame Deer 5500 mills, at Hayes Lodge Pole almost

7500 mills etc. They are, in fact, local tax dollars. At least that is how they view them within his district. He believed the language Ms. Brannon showed here, answers Ms. Fabiano's concerns.

Senator Waterman asked how many mills are being levied on that one taxpayer now. Mr. Svee said you would have the basic 95 mills, something for retirement and the one taxpayer would pay it all. On local levies, typically there is not enough local to tax them. In one district near him, it was not worth putting a local levy on the taxpayers because there were so few left it would not generate enough income. Lame Deer went for a Coal Board grant and levied 50 mills to generate $8,000.

Chair Blaylock said it seemed to him that Ms. Fabiano has a point. Just because you are living next to federal land you say in effect, this taxpayer is not going to pay anything. Ms. Brannon said he would still have the transportation and retirement 95 mills so they still do pay taxes.

Senator Stang said he lives in a county where 92% of the land is state and federal land, we don't get peanuts for it and our taxpayer pays the transportation levies, the retirement levies and we pay a pretty hefty local tax. He thought this guy was getting off pretty cheap if they were using it to make up for some of his local levies already. He was afraid he could see some mischief in this, and it might be a great deal for these three or four county taxpayers, but thought there could be some problems if it were extended on out.

Ms. Fabiano said she wished to make two points of clarification. 874 funds can be deposited in any fund of the district. If a district wants to lower their transportation mills and retirement mills with 874, they can choose to do that now. The other thing she wished to clarify in answer to Mr. Svee's testimony is, and she quoted out of a Department of Education letter "since impact aid funds are co-mingled with the district general fund" (in the current system we now have) "the impact aid program considers that the ending fund balance of a district that is an impact aid recipient, consists of impact aid in the same proportion as impact aid is to the district's total revenues". She would interpret that as saying transferring those monies into the general fund necessarily causes them to lose their identity, and in fact, would say just the opposite. The impact aid program is saying no, there is a way to calculate when you get to the end of the year, how much is impact aid in that fund balance. Just to clarify again, what we are taking opposition to, is the ability to put impact aid in above the 80% area because if it isn't totally expended in the year it is transferred over, we have to go through this administrative problem of trying to identify how much, when you get to the end of the year, is 874 money so that is not reappropriated against the 80% part of the budget in the next year and into the subsidized for GTB, because we do not pay GTB on reappropriated funds.

Representative Simpkins asked for one clarification. The way you compute this is based on the mill levy and what the tax dollar brings in, divided by the number of students, let's say $47 for the high school and they only bring in $1, we are talking about $46 worth of GTB for $1, and yet the way this is broken down it says once we get to equalization, the bulk of the money can be included in equalization. He believed we were premature jumping at this until we define exactly what can be equalized in the impact aid. There is a difference between Indian add-ons, Special Ed add-ons and your basic entitlements and he thought that had to be broken down because once you achieve that, you can make a relationship to the in lieu of tax support for the GTB. He asked Ms. Fabiano why that cannot be done.

Ms. Fabiano said she was not sure she understood the question. You are talking about equalizing these in a way and right now there is nothing in this bill that attempts to equalize 874 funds.

Representative Simpkins said he believed we should explore equalizing the 874, because otherwise we are speaking of $46 for the high school and that is too much.

Chair Blaylock told Representative Simpkins that he did not understand what the formula is, but understands you cannot equalize 874 money until you meet the federal guide line and he did not know what that was. Rep. Simpkins said he thought we had to get an answer for that, we have been trying for years. Chair Blaylock said you simply cannot equalize 874 money. Montana is not there. Senator Waterman said the time may come when we can consider that question, but we are not there yet.

Representative Boharski said another number you might want to look at, is how much are those schools currently spending per student. If you are thinking about using state aid, the folks across the aisle could probably make the same argument for any source of revenue. He thought there was some legitimacy for what Ms. Brannon says, but if you have a district that is spending $10,000 or $12,000 per ANB, and we are going to continue to give them GTB to do that, perhaps you should look at both sides of that equation.

Senator Toews said he thought we had lost it. When you start talking about equalizing 874 monies, when you talk about doing anything with our reservations, there is nothing equal on a reservation, there never will be and we might just as well get it out of your mind and move on to other things. You will never make that thing work until we make major changes in the way we do our reservation business. They will hit you with discrimination and it is a moot issue.

Ms. McClure said the reason this was brought up is not that we were trying to equalize or change, it is that somehow we are trying to take the 874 out of the calculations and under the

model it is not working that way. We are trying to protect the 874 funds. If they wind up being co-mingled and we apply them to state aid, we will lose the whole $21 million. The purpose is to get it outside and make it work within the model. She had thought they were in agreement with OPI, but obviously not.

Ms. Brannon said she had run this by a couple people in OPI and they didn't see any problems with it.

Chair Blaylock said he would appreciate it if Ms. Brannon and Ms. Fabiano could get together and see if tomorrow morning at 7 a.m. they could come in with it worked out. They said they could do that.

Motion: Senator Waterman moved we say yes to the July 1, '93 effective date for this bill.

Ms. McClure said it already is July 1. Someone suggested in the hearing they wanted an immediate effective date and that is different than July 1. She believed Superintendent Keenan had raised that question.

Jan Thompson said with a July effective date, the only thing she would caution is whatever you do with GTB, we have certified valuations, because we are required in the spring to certify valuations for the next school year, and if Senator Stang's bill passes, it could be a problem. She said it might be better to say "for school years beginning on or after July 1, 1993", so it applies to all concepts of school financing for next year, rather than establish July 1.

Substitute Motion/Vote: Senator Brown moved this apply in all school years beginning on after July 1, 1993. Motion CARRIED, Senator Van Valkenburg was absent.

Ernie Jean said the current bill says it becomes effective July 1 with retroactive applicability. He said he thought the words were put in so they could actually function with the bill before July 1. He asked if that was still there. We have a bill that begins with July 1, but the question is whether we can do anything with their budgets, etc. until July 1.

Andy Merrill said we always do that with school funding bills. We always say they will be effective a certain day and you know that is how you have to plan, so we really had that in mind for this bill too. She said there were a couple of things we had to specifically mention that it had retroactive applicability, like how to structure your general fund reserves right now to move the 874 out and some special ed sections. She said they are watching for that, and some more things may show up and they will try to be real careful about that, so that if it is at all unclear, you will know which budget is retroactive.

ADJOURNMENT

Adjournment: 6 p.m.

CHET BLAYLOCK, Chair

SYLVIA KINSEY, Secretary

CB/sk

mtg #2
3 PM

ROLL CALL

SENATE COMMITTEE Subcommittee on HB 667 DATE 4/5/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Blaylock	✓		
Senator Brown	✓		
Senator Waterman	✓		
Senator Hertel	✓		
Senator Van Valkenburg	✓		
Senator Stang	✓		
Senator Toews	✓		

FC8

Attach to each day's minutes

4-5-93 Exhibit #1 HB-667

Amendments to House Bill 667
April 5, 1993

1. NEW SECTION. Amend 20-6-401 as follows:

20-6-401. Definitions. As used in this part, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Component districts" means the elementary or high school districts incorporated into the enlarged district.

(2) "Eligible pupils" means the average number belonging (ANB) in the operating schools of the component districts and the tuition pupils residing in the component districts and attending another district's school under the tuition provisions of the school laws, except that the pupils residing in the component district having the largest total number of pupils are ineligible for bonus payment consideration.

(3) "Enlarged district" means the elementary or high school district resulting from the consolidation or annexation of two or more component districts.

(4) "General bonus payment" for first- and second-class school districts must be $450 per eligible pupil per year for a period of 3 years and must be deposited in the enlarged district's general fund. General bonus payment for third-class school districts must be $750 per eligible pupil per year for a period of 3 years ~~and must be deposited in the enlarged district's general fund~~. The general bonus payment must be made from the state school equalization aid account.

(5) "Transportation bonus payment" is the provision of 66 2/3% state financing of the on-schedule transportation amount as provided by the transportation provisions of the school laws. When an eligible pupil is entitled to transportation, the enlarged district is entitled to the transportation bonus payment for the eligible pupil for a period of 3 years. The payment must be made from the state transportation aid account. When the eligible pupil rides a bus providing transportation for ineligible pupils, the 66 2/3% state financing of the on-schedule amount for this payment must be prorated to provide financing for the eligible pupil.

2. NEW SECTION. Amend 20-9-406 as follows:

20-6-406. Disbursal and deposit of bonus payments. On or before June 30 of the next 3 consecutive years following the year of application, the superintendent of public instruction shall disburse the bonus payments for approved applications to the enlarged school district, and such disbursement is statutorily appropriated as provided in 17-7-502. The general bonus payment shall be deposited by the county treasurer in the enlarged district's general fund or building reserve fund, and the transportation bonus payment shall be deposited by the county treasurer in the transportation fund. These bonus payments shall not be considered as a part of the regular state equalization aid or state transportation aid received by the enlarged district.

3. NEW SECTION. Amend 20-9-301 as follows:

20-9-301. Purpose of foundation program and definition of general fund budget. (1) A uniform system of free public schools sufficient for the education of and open to all school age children of the state must be established and maintained throughout the state of Montana. The state shall aid in the support of its school districts on the basis of their financial need as measured by the foundation program and in the manner established in this title.

(2) The principal budgetary vehicle for achieving the minimum financing as established by the foundation program is the general fund budget of the district. The purpose of the general fund budget is to finance those general maintenance and operational costs of a district not financed by other funds established for special purposes in this title. Costs that may not be budgeted or paid from the general fund include but are not limited to bond principal and interest payments, the purchase of new and replacement buses, new construction, furnishings for new buildings, building additions, land acquisitions, infrastructure, and major building renovations.

(3) The provisions of subsection (2) do not prohibit a district from paying for the costs of routine or emergency repairs out of the general fund.

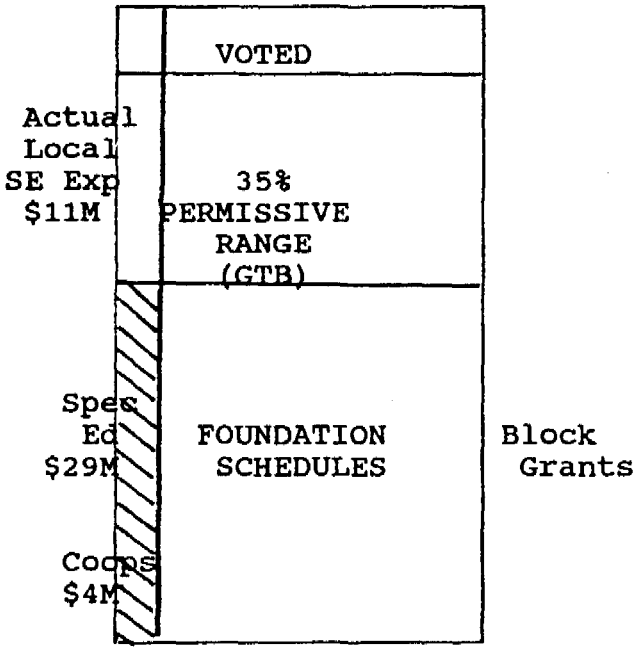
~~(3)~~(4) The amount of the general fund budget for each school fiscal year may not exceed the financing limitations established by this title but may not be less than the amount established by law as the foundation program. The general fund budget must be financed by the foundation program revenues and may be supplemented by a permissive levy, voted levy, or other revenue, as provided by 20-9-145 and 20-9-353.

4. Page 33, line 9.
Following: "be"
Insert: ": (a)"

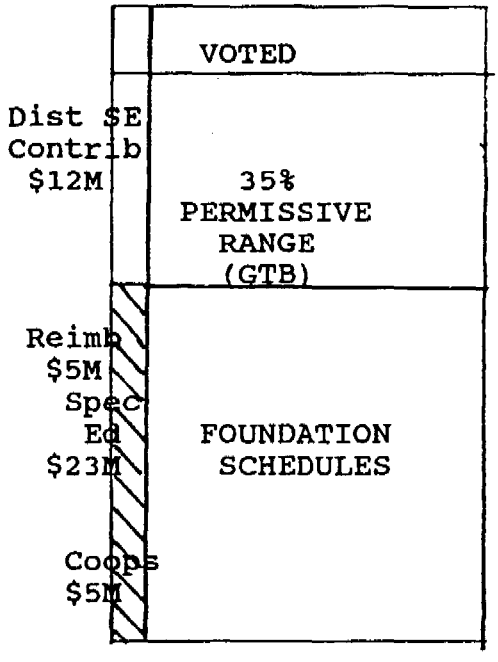
5. Page 33, line 15.
Following: "[Section 35]"
Insert: "or; (b) transferred at the end of school fiscal year 1993 to the building reserve, transportation, or bus depreciation funds. The transfer may be made outside of the budget limitation provided in 20-9-315."

Exh 26 Pkg 2
Epid 5

CURRENT SPECIAL EDUCATION FUNDING



SB348 PROPOSAL



Exh 3 Pkg 2
April 5-93

HB667 ADJUSTED
TO INCLUDE SPECIAL EDUCATION

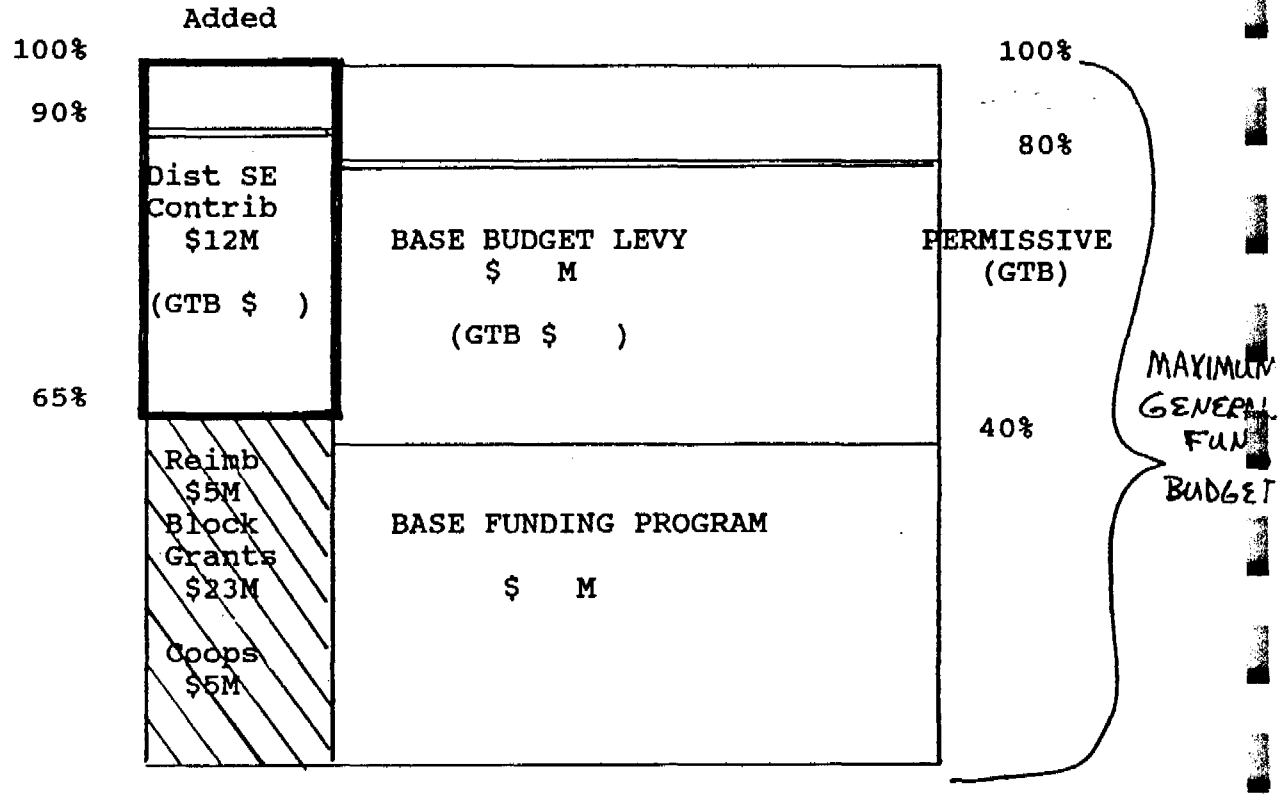


Exhibit 3 H
4-5-93 #2 MG

MONTANA FIRST JUDICIAL DISTRICT COURT

LEWIS AND CLARK COUNTY

* * * *

MONTANA RURAL EDUCATION ASSOCIATION, et al.,

Plaintiffs,

vs.

THE STATE OF MONTANA, et al.,

Defendants.

BDV-91-2065

TRANSCRIPT OF PROCEEDINGS

CROSS-EXAMINATION OF DRS. ALEXANDER AND SALMON

(EXCERPT)

Courtroom
Lewis and Clark County
Courthouse
228 Broadway
Helena, MT
March 3, 1993

HON. JEFFREY M. SHERLOCK, DISTRICT JUDGE, PRESIDING

PREPARED BY: PENNY DOIG-MARTIN, RPR
OFFICIAL COURT REPORTER
LEWIS AND CLARK COUNTY

COPY

APPEARANCES

FOR THE PLAINTIFFS:

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JIM MOLLOY

FOR THE DEFENDANTS:

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SOLICITOR
WILLIAM HUTCHISON
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ATTORNEY GENERAL'S OFFICE
STATE OF MONTANA
215 NORTH SANDERS
HELENA, MT 59620

EX #3
4-5-93 mtg. #2

I N D E X

(EXCERPT)

CROSS-EXAMINATION OF DRS. ALEXANDER AND SALMON
BY MR. SMITH . . . . . 1 - 8

COURT REPORTER'S CERTIFICATE 9

* * * *

(EXCERPT)

CROSS-EXAMINATION BY MR. SMITH

Q. One last question or two.

You refer to a standard as an essential aspect of determining, for example, the weightings.

A. (By Dr. Alexander) Yes.

Q. Indeed, the appropriate standard of, in essence, educational equality is essential to your entire analysis, is it not?

A. (By Dr. Alexander) Well, I would say that the State, at some point, should determine equivalency or know what it's financing. Presently Montana has no earthly notion of what it is financing. And it should -- the Legislature and the State Department of Education, OPI, should attempt to determine the equivalency of courses throughout the state in some manner so that it has some idea of what it is financing, rather than just averaging expenditures.

Q. But would you agree with the notion that the purpose of an educational system is to provide some quantum of quality education or at least some substantive level of quality education to the students in that system?

A. (By Dr. Alexander) Yes, sir. I think

your court system requires -- or your Constitution requires quality.

Q. And I realize you're not a lawyer, but you obviously have an interest in school finance law, and you've authored your West textbook and several editions to it, so I think this line of inquiry is appropriate.

Would you, if you were advising the plaintiffs, look to the Montana Constitution to try to find the standard for determining that level of educational quality?

A. (By Dr. Alexander) The -- yes, sir. I would say that the Montana Constitution has sufficient guidelines for a legislature, is enunciated by the people, that -- that there should be equity, which is fairness, and that there should be equality of opportunity.

Q. Now, can you read this, sir?

A. (By Dr. Alexander) Yes, sir.

Q. The print is not very big.

What this is is simply a blowup of a portion of Article X, Section 1 of our Constitution. And I've used this before.

But just to explain it to you, there is a Subsection 2 which has been left out. But I've included the entire -- the entirety of Subsections 1

and 2 of Article X, Section 1 of our Constitution. And I've underscored those provisions which are relevant to this case, and generally the school finance litigation that we've been engaged in.

Now, with reference--

A. (By Dr. Alexander) Excuse me. Mr. Smith, could you come over a little bit further, I can't--

Q. I happen to know it pretty well.

A. (By Dr. Alexander) My glasses are not as good as I thought they were.

Q. Now, with reference to Article X, Section I of our Constitution, is there a provision in there, Doctor, that specifies the level of educational equality that constitutes -- that the Legislature is required to -- to provide for or to ensure is provided?

A. (By Dr. Alexander) May I -- yes, sir. The answer is yes. The Constitution says establish a system.

Montana, interestingly enough, at no point has established a system as I would believe is incorporated in that. There is a horizontal question to the word system as far back as Benjamin Rush and Thomas Jefferson. There is a horizontal aspect and a vertical aspect to the word system. It is elaborated on in many of the histories of education.

EX 3 HB 667
4-5-93 Muling #2

As -- what you've done here in Montana is -- is take what had grown up as a result of a whole series and a confluence of taxes before 1949 and tried to make some sense out of it in '49. You didn't look to needs or equivalency of education. You simply averaged the confluence of taxes and said these are expenditures.

Now, you do have a system in its vertical sense in that you -- you've got a higher education system in that it is incremental, but you don't have a system, a thought-through system, as to the equivalent educational opportunity throughout the state that a system would provide, not just bits and pieces.

Westby has a bunch of money that happens to be up there, as you pointed out yesterday. Somebody else has money that they don't -- that happened to be poor. The State had not corrected it. And Helena 1 interceded but didn't correct it. The Legislature didn't respond. It responded but not sufficiently.

So system is vital to the interpretation of this Constitution.

It is further vital that you have full educational potential of each person, the full educational potential.

Now, when a child is in a very small school district, particularly a small poor district, there is

no way humanly possible that Montana can say today that it is providing for the full educational potential of that child. Just look at your accreditation standards. They're among the lowest in the country. 1982 in Florida we had 20 units -- 24 units to go to college. You've got 16 there in 1990.

Equality for each person. And that becomes very important. Each person. Then equality of opportunity.

You know, you've argued that in Helena. And it is -- these are terms of art. Equality being supposably a -- a system that provides for a thorough and efficient opportunity across the state. Again, each person of the state. You haven't addressed the each persons, each person, that the people keep reiterating here to you.

Now, the Legislature, the burden falls on the Legislature. It says you do it, Legislature. And you've broken the continuity here between the people and -- and the children with the Legislature that hasn't responded to the order that the people has given it. Shall provide -- it doesn't give them any choice -- for a free quality. There is that word quality.

Now, I said yesterday, day before yesterday, that the system has not -- you haven't attempted to

define what is quality. You haven't attempted to determine what is equivalence with a quality base. Certainly you haven't tried to finance it.

So quite aside from just financing it you haven't determined what quality is or what equivalency is pertaining to that quality.

The Legislature may provide for other educational -- of public libraries, etc. It shall fund and distribute in an equitable manner to the districts the State's share of the cost of basic elementary and secondary schools.

Well, the question is, now this says the State's share only. What is the interplay from top to bottom here? It says the Legislature shall provide equality of opportunity throughout the state. The State's share must be equitable. The State's share in terms of equity then, and I think these people were very farsighted in writing this in 1972, the -- but in putting equity in here it doesn't say that the State should give equal dollars. See, notice it doesn't say equal dollars. It says equitable dollars, which means that the State administers fairly and with fairness. So it can give some areas more because they have deficiencies, and other areas less just with the State dollars because they have more local affluence.

So it is a very well constructed document here that the Legislature hasn't responded to.

So equity gives the Legislature leeway to vary expenditures and to be fair.

It was simply our contention that this isn't fulfilled in the way you now do it because the GTB, which is a state allocation of dollars, doesn't correct for the local fiscal incapacities, nearly correct for them, as we showed you on our charts, and it doesn't -- and your utilization of the expenditures in antiquity don't -- don't reflect what equal opportunity is or what quality education is.

Q. Well, my question -- thank you. My question was is there a provision in the Constitution which to you specifies the level of educational quality which may be - which must be accorded students in this state?

A. (By Dr. Alexander) There is no constitution that I know of that tells the Legislature precisely what level of educational quality it is supposed to have. It says, though, that you're supposed to have quality.

Q. And if -- and if that quality is provided does that satisfy the substantive quality provision of the Constitution?

EX. #3
4-5-93 Meeting #2
HB-667

A. (By Dr. Alexander) It says quality for each person is what we're about here.

Q. But it does use the term system in the first sentence of Subsection 3, does it not?

A. (By Dr. Alexander) And system means equivalency.

Q. And you're aware, are you not, that the plaintiffs are not -- are not challenging the existence of a free quality public elementary and secondary system in this state?

A. (By Dr. Alexander) -- I assume that the question before the court here is is quality equality and equity?

Q. But do you understand that the plaintiffs aren't challenging the existence of a free public quality elementary and secondary system?

A. (By Dr. Alexander) I don't know they're dealing with the word free. It is free unless you're charging tuition. But certainly quality has to enter, play into the issue.

MR. SMITH: Thank you.

Exh 4 4-5- Mtg #2

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR GAGE
RE: COST OF LOWERING THE PER STUDENT REDUCTION FACTOR BY ONE PENNY

GAG89.WK1
03/31/93
11:42 AM

	FY 1993–94	FY 1994–95
ELEMENTARY COST	$373,103	$402,100
HIGH SCHOOL COST	$135,374	$145,549
TOTAL STATE COST	$508,477	$547,649

Exh 5 HB667 4-5 #2

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATE SELECT COMMITTEE ON EDUCATION
SCHOOL FUNDING ANALYSIS
COST DATA FOR VARIOUS COST OF LIVING (COLA) PERCENTAGES
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB INCLUDED

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FY95 COST OF LIVING ADJUSTMENT	DIRECT STATE SUPPORT	GTB STATE SUPPORT	TOTAL STATE SUPPORT	CHANGE IN STATE SUPPORT
CURRENT PROJECTION	$272,046,809	$114,456,533	$386,503,342	
1% INCREASE	$275,084,081	$115,121,348	$390,205,429	$3,702,087
2% INCREASE	$277,762,910	$115,608,827	$393,371,737	$6,868,395
3% INCREASE	$280,800,183	$115,992,167	$396,792,350	$10,289,008
4% INCREASE	$283,479,011	$116,248,491	$399,727,502	$13,224,160

Exh 6 – 4-5-93 Leg II-2
HB667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATE SELECT COMMITTE ON EDUCATION
ANALYSIS OF EFFECT OF KADAS NON LEVY REVENUE AMENDMENT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED
FY93 RESTATEMENT

SENSEL3.WK1
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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. CURRENT GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
BEAVERHEAD	BEAVERHEAD CO HS	20.24	17.99	-2.24	18.68	21.12	2.44
BEAVERHEAD	DILLON ELEM	37.35	32.40	-4.95	32.23	37.34	5.12
BEAVERHEAD	GRANT ELEM	25.63	26.51	0.88	26.51	25.63	-0.88
BEAVERHEAD	JACKSON ELEM	33.91	30.30	-3.61	27.14	30.53	3.39
BEAVERHEAD	LIMA ELEM	32.45	27.10	-5.35	21.31	25.64	4.34
BEAVERHEAD	LIMA H S	34.69	29.02	-5.67	15.28	18.36	3.08
BEAVERHEAD	POLARIS ELEM	30.69	32.02	1.33	24.64	28.43	3.79
BEAVERHEAD	REICHLE ELEM	18.92	16.93	-1.99	14.39	16.16	1.78
BEAVERHEAD	WISDOM ELEM	22.72	19.08	-3.63	18.51	22.15	3.64
BEAVERHEAD	WISE RIVER ELEM	29.55	26.22	-3.33	23.64	26.78	3.14
BIG HORN	COMMUNITY ELEM	14.56	14.77	0.21	14.77	14.56	-0.21
BIG HORN	HARDIN ELEM	45.51	38.02	-7.49	38.31	46.09	7.78
BIG HORN	HARDIN H S	8.59	7.25	-1.34	7.38	8.79	1.41
BIG HORN	LODGE GRASS ELEM	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	LODGE GRASS H S	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	PLENTY COUPS HS	47.67	39.80	-7.86	22.36	26.92	4.56
BIG HORN	PRYOR ELEM	74.72	62.43	-12.29	43.46	52.29	8.83
BIG HORN	SQUIRREL CRK ELEM	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	WYOLA ELEM	69.45	58.11	-11.33	42.60	51.17	8.57
BLAINE	BEAR PAW ELEM	13.48	13.84	0.36	13.84	13.48	-0.36
BLAINE	CHINOOK ELEM	8.18	23.80	15.63	22.32	7.71	-14.61
BLAINE	CHINOOK H S	0.00	11.10	11.10	10.27	0.00	-10.27
BLAINE	CLEVELAND ELEM	12.92	14.31	1.39	14.31	12.92	-1.39
BLAINE	HARLEM ELEM	40.86	34.39	-6.46	33.62	40.14	6.53
BLAINE	HARLEM H S	15.71	13.86	-1.84	11.96	13.62	1.66
BLAINE	HAYS-LODGE POLE ELEM	48.46	40.46	-7.99	39.27	47.27	8.00
BLAINE	HAYS-LODGE POLE H S	30.56	25.52	-5.04	18.06	21.74	3.68
BLAINE	LLOYD ELEM	0.00	0.00	0.00	0.00	0.00	0.00
BLAINE	N HARLEM COLONY ELEM	46.83	39.30	-7.53	28.02	33.56	5.54
BLAINE	TURNER ELEM	49.05	41.40	-7.65	32.32	38.49	6.17
BLAINE	TURNER H S	42.55	35.72	-6.83	17.38	20.81	3.43
BLAINE	ZURICH ELEM	15.92	20.62	4.70	20.73	15.92	-4.81

OFFICE OF THE LEGISLATIVE AUDITOR
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ANALYSIS OF EFFECT OF KADAS NON LEVY REVENUE AMENDMENT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED
FY93 RESTATEMENT

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. CURRENT GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
BROADWATER	BROADWATER CO HS	16.76	14.56	-2.20	13.40	15.50	2.10
BROADWATER	TOWNSEND ELEM	30.04	25.09	-4.96	24.11	29.03	4.91
CARBON	BELFRY ELEM	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	BELFRY H S	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	BOYD ELEM	21.04	19.38	-1.66	14.26	15.56	1.30
CARBON	BRIDGER ELEM	24.83	30.10	5.27	26.59	22.04	-4.54
CARBON	BRIDGER H S	13.73	20.94	7.21	14.97	9.87	-5.10
CARBON	EDGAR ELEM	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	FROMBERG ELEM	45.16	38.92	-6.24	31.78	37.06	5.29
CARBON	FROMBERG H S	30.32	26.16	-4.16	17.26	20.11	2.85
CARBON	JACKSON ELEM	52.58	44.77	-7.81	37.11	43.82	6.71
CARBON	JOLIET ELEM	35.80	30.62	-5.19	27.61	32.46	4.85
CARBON	JOLIET H S	22.70	19.86	-2.83	16.75	19.23	2.49
CARBON	LUTHER ELEM	33.35	29.07	-4.29	25.45	29.35	3.90
CARBON	RED LODGE ELEM	41.02	35.83	-5.19	34.22	39.39	5.16
CARBON	RED LODGE H S	24.40	21.40	-3.00	19.38	22.22	2.84
CARBON	ROBERTS ELEM	53.54	45.82	-7.72	35.10	41.22	6.13
CARBON	ROBERTS H S	33.79	28.67	-5.12	16.30	19.30	3.01
CARTER	ALBION ELEM	8.46	8.46	0.00	8.46	8.46	0.00
CARTER	ALZADA ELEM	3.09	3.09	0.00	3.09	3.09	0.00
CARTER	CARTER CO H S	0.00	9.98	9.98	9.96	0.00	-9.96
CARTER	EKALAKA ELEM	10.89	11.54	0.65	9.75	9.25	-0.50
CARTER	HAMMOND-HAWKS HOME	26.35	26.64	0.29	26.64	26.35	-0.29
CARTER	JOHNSTON ELEM	20.09	20.09	0.00	20.09	20.09	0.00
CARTER	PINE HILL-PLAINVW EL	6.17	5.15	-1.02	3.99	4.80	0.81
CARTER	RIDGE ELEM	62.10	63.79	1.69	30.89	36.20	5.31
CASCADE	BELT ELEM	38.03	33.29	-4.74	30.69	35.25	4.55
CASCADE	BELT H S	20.32	18.79	-1.54	14.40	15.66	1.26
CASCADE	CASCADE ELEM	35.33	31.22	-4.11	28.89	32.86	3.97
CASCADE	CASCADE H S	22.18	19.27	-2.92	16.15	18.69	2.54
CASCADE	CENTERVILLE EL	43.97	37.56	-6.42	34.95	41.13	6.18
CASCADE	CENTERVILLE H S	23.94	20.43	-3.51	15.76	18.57	2.80

Ex 6
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OFFICE OF THE LEGISLATIVE AUDITOR — SENSEL3.WK1
AT THE REQUEST OF SENATE SELECT COMMITTE ON EDUCATION — 04/04/93
ANALYSIS OF EFFECT OF KADAS NON LEVY REVENUE AMENDMENT — 08:28 PM
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED
FY93 RESTATEMENT

COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. CURRENT GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
CASCADE	DEEP CREEK ELEM	5.44	5.44	0.00	3.99	4.80	0.81
CASCADE	GREAT FALLS EL	44.05	37.88	−6.16	41.49	48.49	7.00
CASCADE	GREAT FALLS H S	20.34	18.16	−2.18	21.71	24.44	2.73
CASCADE	SIMMS H S	31.48	27.46	−4.01	24.00	27.65	3.65
CASCADE	SUN RIVER VALLEY ELM	43.69	37.81	−5.87	37.81	43.92	6.10
CASCADE	ULM ELEM	36.50	31.60	−4.89	29.53	34.28	4.75
CASCADE	VAUGHN ELEM	54.81	45.97	−8.84	42.08	50.43	8.35
CHOTEAU	BIG SANDY ELEM	25.89	27.73	1.84	26.09	25.89	−0.20
CHOTEAU	BIG SANDY H S	15.98	18.03	2.05	13.77	13.46	−0.31
CHOTEAU	CARTER ELEM	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	FT BENTON ELEM	40.95	35.79	−5.16	33.84	38.92	5.08
CHOTEAU	FT BENTON H S	24.43	21.75	−2.68	19.68	22.22	2.54
CHOTEAU	GERALDINE ELEM	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	GERALDINE H S	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	HIGHWOOD ELEM	2.47	4.96	2.49	4.32	2.16	−2.16
CHOTEAU	HIGHWOOD H S	0.98	1.69	0.71	1.01	0.59	−0.42
CHOTEAU	KNEES ELEM	8.01	8.57	0.56	8.57	8.01	−0.56
CHOTEAU	LOMA ELEM	1.31	2.18	0.87	2.18	1.31	−0.87
CHOTEAU	WARRICK ELEM	0.00	0.00	0.00	0.00	0.00	0.00
CUSTER	COTTONWOOD EL	50.40	42.31	−8.09	36.35	43.52	7.17
CUSTER	CUSTER CO H S	18.45	16.79	−1.67	17.98	19.87	1.89
CUSTER	HKT−BASIN SPR CRK EL	16.98	17.08	0.09	16.81	16.98	0.17
CUSTER	KINSEY ELEM	36.50	31.26	−5.24	30.17	35.41	5.24
CUSTER	KIRCHER ELEM	17.76	16.53	−1.23	16.11	17.76	1.66
CUSTER	MILES CITY ELEM	39.72	34.57	−5.15	34.49	39.82	5.34
CUSTER	MOON CREEK EL	6.07	6.15	0.08	6.15	6.07	−0.08
CUSTER	S H−FOSTER CRK ELEM	17.10	19.25	2.15	16.67	17.10	0.42
CUSTER	S Y ELEM	15.69	15.74	0.05	13.63	15.69	2.06
CUSTER	TRAIL CREEK EL	22.39	22.39	0.00	21.56	22.39	0.83
CUSTER	TWIN BUTTES EL	11.33	11.34	0.01	11.34	11.33	−0.01
CUSTER	WHITNEY CRK EL	37.28	37.57	0.29	24.03	28.71	4.67
DANIELS	FLAXVILLE ELEM	0.00	0.00	0.00	0.00	0.00	0.00

OFFICE OF THE LEGISLATIVE AUDITOR
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DANIELS	FLAXVILLE H S	4.64	4.55	-0.09	2.18	2.23	0.06
DANIELS	PEERLESS ELEM	0.00	0.00	0.00	0.00	0.00	0.00
DANIELS	PEERLESS H S	0.00	0.00	0.00	0.00	0.00	0.00
DANIELS	SCOBEY ELEM	11.59	13.18	1.58	12.38	10.95	-1.43
DANIELS	SCOBEY H S	6.40	9.00	2.60	7.03	5.03	-2.01
DAWSON	BLOOMFIELD ELEM	12.47	15.87	3.41	15.66	12.47	-3.20
DAWSON	DAWSON CO H S	9.84	12.44	2.60	13.07	10.39	-2.68
DAWSON	DEER CREEK ELEM	5.57	7.01	1.43	7.01	5.57	-1.43
DAWSON	GLENDIVE ELEM	33.78	31.46	-2.32	31.44	33.93	2.49
DAWSON	LINDSAY ELEM	0.00	0.00	0.00	0.00	0.00	0.00
DAWSON	RICHEY ELEM	11.43	15.34	3.91	11.78	8.82	-2.96
DAWSON	RICHEY H S	18.32	19.12	0.81	11.34	10.92	-0.42
DEER LODGE	ANACONDA ELEM	15.78	15.07	-0.72	14.89	15.68	0.79
DEER LODGE	ANACONDA H S	4.49	4.51	0.02	4.76	4.76	0.00
FALLON	BAKER ELEM	0.00	28.09	28.09	27.25	0.00	-27.25
FALLON	BAKER H S	0.00	7.65	7.65	6.84	0.00	-6.84
FALLON	FERTILE PRAIRIE EL	0.00	0.00	0.00	0.00	0.00	0.00
FALLON	PLEVNA ELEM	0.00	0.00	0.00	0.00	0.00	0.00
FALLON	PLEVNA H S	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	AYERS ELEM	17.09	14.27	-2.82	9.81	11.81	2.00
FERGUS	COTTONWOOD ELEM	43.19	36.06	-7.13	20.96	25.24	4.27
FERGUS	DEERFIELD ELEM	25.87	21.60	-4.27	17.37	20.91	3.54
FERGUS	DENTON ELEM	38.41	34.04	-4.37	29.07	32.97	3.90
FERGUS	DENTON H S	28.73	25.16	-3.57	15.75	18.08	2.33
FERGUS	FERGUS H S	24.80	21.65	-3.15	22.38	25.78	3.39
FERGUS	GRASS RANGE EL	23.13	19.85	-3.29	17.04	19.96	2.93
FERGUS	GRASS RANGE H S	20.54	19.10	-1.44	9.61	10.39	0.78
FERGUS	KING COLONY EL	7.33	7.33	0.00	7.33	7.33	0.00
FERGUS	LEWISTOWN ELEM	44.44	38.26	-6.18	37.99	44.35	6.37
FERGUS	MAIDEN ELEM	1.19	1.61	0.42	1.61	1.19	-0.42
FERGUS	MOORE ELEM	49.86	41.75	-8.11	35.11	42.15	7.03
FERGUS	MOORE H S	38.78	33.21	-5.57	21.29	24.99	3.70

EXH
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FERGUS	ROY ELEM	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	ROY H S	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	SPRING CRK COLONY EL	26.30	26.03	-0.27	12.29	14.80	2.51
FERGUS	WINIFRED ELEM	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	WINIFRED H S	10.55	9.77	-0.78	5.49	5.96	0.47
FLATHEAD	BATAVIA ELEM	51.67	44.07	-7.60	38.61	45.50	6.89
FLATHEAD	BIGFORK ELEM	44.66	38.23	-6.42	36.80	43.20	6.40
FLATHEAD	BIGFORK H S	19.42	17.03	-2.39	16.86	19.33	2.47
FLATHEAD	CAYUSE PRAIRIE ELEM	49.69	42.20	-7.49	40.33	47.74	7.40
FLATHEAD	COLUMBIA FALLS ELEM	40.72	35.07	-5.66	35.42	41.35	5.93
FLATHEAD	COLUMBIA FALLS H S	17.86	15.77	-2.10	17.20	19.58	2.39
FLATHEAD	CRESTON ELEM	47.06	40.83	-6.23	41.47	48.04	6.57
FLATHEAD	DEER PARK ELEM	56.10	47.61	-8.49	41.31	48.94	7.62
FLATHEAD	EVERGREEN ELEM	46.70	40.04	-6.66	39.29	46.07	6.78
FLATHEAD	FAIR-MONT-EGAN ELEM	52.11	44.52	-7.58	40.12	47.20	7.08
FLATHEAD	FLATHEAD H S	21.23	18.69	-2.54	21.88	24.99	3.11
FLATHEAD	HELENA FLATS EL	44.73	38.52	-6.22	35.50	41.44	5.94
FLATHEAD	KALISPELL ELEM	36.86	33.04	-3.83	33.80	37.90	4.11
FLATHEAD	KILA ELEM	43.67	37.88	-5.79	39.09	45.30	6.21
FLATHEAD	MARION ELEM	50.98	43.57	-7.41	37.30	43.87	6.57
FLATHEAD	OLNEY-BISSELL ELEM	52.90	45.22	-7.68	40.73	47.89	7.16
FLATHEAD	PLEASANT VALLEY ELEM	28.34	29.02	0.68	29.02	28.34	-0.68
FLATHEAD	SOMERS ELEM	48.46	42.35	-6.11	40.80	46.93	6.13
FLATHEAD	SWAN RIVER EL	19.25	16.25	-3.00	15.01	17.88	2.86
FLATHEAD	WEST GLACIER ELEM	18.23	18.85	0.62	18.85	18.23	-0.62
FLATHEAD	WEST VALLEY EL	46.94	40.27	-6.67	37.78	44.27	6.49
FLATHEAD	WHITEFISH ELEM	31.38	27.08	-4.30	26.71	31.11	4.41
FLATHEAD	WHITEFISH H S	17.34	15.17	-2.16	15.99	18.36	2.37
GALLATIN	AMSTERDAM ELEM	26.35	28.97	2.62	28.97	26.35	-2.62
GALLATIN	ANDERSON ELEM	52.44	45.03	-7.41	42.41	49.64	7.23
GALLATIN	BELGRADE ELEM	44.64	38.34	-6.30	38.48	45.04	6.56
GALLATIN	BELGRADE H S	19.75	17.13	-2.62	17.64	20.45	2.81

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GALLATIN	BOZEMAN ELEM	36.69	32.56	-4.12	34.22	38.75	4.53
GALLATIN	BOZEMAN H S	20.34	18.65	-1.68	21.32	23.36	2.05
GALLATIN	COTTONWOOD EL	40.90	36.11	-4.78	26.57	30.24	3.68
GALLATIN	GALLATIN GTWY ELEM	47.22	41.57	-5.65	38.24	43.66	5.42
GALLATIN	LA MOTTE ELEM	31.95	28.36	-3.59	27.74	31.42	3.68
GALLATIN	MALMBORG ELEM	24.32	24.45	0.14	24.45	24.32	-0.14
GALLATIN	MANHATTAN ELEM	44.25	38.07	-6.18	35.30	41.24	5.94
GALLATIN	MANHATTAN H S	24.49	21.43	-3.07	19.41	22.30	2.89
GALLATIN	MONFORTON EL	51.27	43.79	-7.48	39.75	46.78	7.03
GALLATIN	OPHIR ELEM	12.30	13.07	0.76	13.07	12.30	-0.76
GALLATIN	PASS CREEK ELEM	25.80	23.38	-2.42	19.39	23.34	3.95
GALLATIN	SPRINGHILL EL	62.74	52.39	-10.35	41.37	49.80	8.43
GALLATIN	THREE FORKS EL	38.99	33.92	-5.07	31.85	36.80	4.95
GALLATIN	THREE FORKS H S	23.68	20.63	-3.05	17.11	19.75	2.63
GALLATIN	W YELLOWSTONE ELEM	30.67	29.67	-1.01	26.37	27.40	1.04
GALLATIN	W YELLOWSTONE H S	19.53	20.35	0.82	14.33	13.82	-0.51
GALLATIN	WILLOW CREEK EL	36.03	36.62	0.58	26.19	31.03	4.83
GALLATIN	WILLOW CREEK HS	48.09	48.84	0.75	17.34	20.55	3.21
GARFIELD	BENZIEN ELEM	29.85	24.93	-4.93	16.38	19.72	3.34
GARFIELD	BIG DRY CREEK ELEM	14.96	15.87	0.91	15.87	14.96	-0.91
GARFIELD	BLACKFOOT ELEM	17.33	17.33	0.00	17.33	17.33	0.00
GARFIELD	COHAGEN ELEM	20.49	17.14	-3.36	15.35	18.48	3.13
GARFIELD	GARFIELD CO H S	26.91	24.37	-2.54	18.81	20.87	2.07
GARFIELD	JORDAN ELEM	41.91	35.71	-6.20	30.88	36.43	5.55
GARFIELD	KESTER ELEM	0.00	0.00	0.00	0.00	0.00	0.00
GARFIELD	PINE GROVE ELEM	24.20	20.53	-3.67	14.64	17.35	2.71
GARFIELD	ROSS ELEM	70.41	58.80	-11.62	27.77	33.43	5.66
GARFIELD	SAND SPRINGS EL	11.30	11.43	0.13	11.43	11.30	-0.13
GARFIELD	VAN NORMAN ELEM	31.67	31.74	0.07	31.28	31.67	0.39
GLACIER	BROWNING ELEM	28.61	25.88	-2.73	26.34	29.27	2.93
GLACIER	BROWNING H S	12.32	11.60	-0.71	11.64	12.42	0.78
GLACIER	CUT BANK ELEM	20.91	28.26	7.35	27.73	20.62	-7.10

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GLACIER	CUT BANK H S	12.05	21.19	9.13	20.56	11.76	-8.80
GLACIER	E GLACIER PARK ELEM	19.27	16.09	-3.18	15.95	19.20	3.25
GLACIER	MOUNTAIN VIEW ELEMENTAF	37.09	31.02	-6.07	27.59	33.16	5.57
GOLDEN VALLEY	LAVINA ELEM	50.83	51.48	0.65	38.76	45.32	6.56
GOLDEN VALLEY	LAVINA H S	41.04	35.67	-5.38	14.62	17.03	2.41
GOLDEN VALLEY	RYEGATE ELEM	22.49	24.02	1.53	24.02	22.49	-1.53
GOLDEN VALLEY	RYEGATE H S	32.81	34.61	1.80	19.27	22.00	2.72
GRANITE	DRUMMOND ELEM	29.28	25.41	-3.87	21.86	25.31	3.46
GRANITE	DRUMMOND H S	8.74	7.41	-1.33	5.73	6.80	1.07
GRANITE	GRANITE H S	22.93	20.24	-2.69	14.87	16.93	2.07
GRANITE	HALL ELEM	0.00	0.00	0.00	0.00	0.00	0.00
GRANITE	PHILIPSBURG EL	31.13	27.90	-3.23	26.14	29.32	3.17
HILL	BLUE SKY ELEM	32.51	30.30	-2.20	27.97	31.61	3.64
HILL	BLUE SKY HIGH	5.26	8.95	3.69	5.59	3.96	-1.64
HILL	BOX ELDER ELEM	53.44	44.92	-8.52	40.76	48.74	7.98
HILL	BOX ELDER H S	46.14	38.65	-7.49	23.79	28.54	4.76
HILL	COTTONWOOD ELEM	0.00	0.00	0.00	0.00	0.00	0.00
HILL	DAVEY ELEM	0.00	0.00	0.00	0.00	0.00	0.00
HILL	GILDFORD COLONY ELEM	30.41	25.58	-4.83	19.33	23.10	3.77
HILL	HAVRE ELEM	33.06	30.66	-2.40	31.19	33.81	2.62
HILL	HAVRE H S	7.58	8.17	0.59	8.94	8.33	-0.61
HILL	K-G ELEM	27.42	29.69	2.27	27.76	27.42	-0.34
HILL	K-G HIGH SCHOOL	11.87	14.78	2.91	8.79	8.50	-0.29
HILL	ROCKY BOY ELEM	43.46	36.33	-7.13	35.55	42.74	7.20
HILL	ROCKY BOY H S	12.51	10.47	-2.04	7.82	9.39	1.57
JEFFERSON	BASIN ELEM	0.00	0.00	0.00	0.00	0.00	0.00
JEFFERSON	BOULDER ELEM	50.68	42.36	-8.33	38.93	46.82	7.89
JEFFERSON	CARDWELL ELEM	10.76	10.83	0.07	10.83	10.76	-0.07
JEFFERSON	CLANCY ELEM	47.87	42.00	-5.86	40.04	45.87	5.83
JEFFERSON	JEFFERSON H S	21.92	19.01	-2.90	18.11	20.98	2.88
JEFFERSON	MONTANA CITY ELEM	43.94	38.54	-5.40	35.93	41.18	5.25
JEFFERSON	WHITEHALL ELEM	36.01	31.64	-4.37	30.13	34.47	4.34

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JEFFERSON	WHITEHALL H S	14.08	12.59	-1.50	11.37	12.79	1.42
JUDITH BASIN	GEYSER ELEM	26.57	23.27	-3.30	20.08	23.05	2.97
JUDITH BASIN	GEYSER H S	33.52	28.97	-4.56	14.10	16.40	2.30
JUDITH BASIN	HOBSON ELEM	37.55	39.61	2.07	36.06	37.55	1.49
JUDITH BASIN	HOBSON H S	40.23	35.16	-5.07	20.85	23.98	3.13
JUDITH BASIN	RAYNESFORD ELEM	30.33	26.62	-3.71	23.50	26.91	3.42
JUDITH BASIN	STANFORD ELEM	36.01	31.26	-4.75	27.64	32.00	4.36
JUDITH BASIN	STANFORD H S	29.86	25.88	-3.98	16.83	19.53	2.69
LAKE	ARLEE ELEM	38.19	32.45	-5.74	30.22	35.76	5.53
LAKE	ARLEE H S	10.66	9.08	-1.59	7.88	9.31	1.43
LAKE	CHARLO ELEM	41.95	35.27	-6.68	32.82	39.23	6.41
LAKE	CHARLO H S	37.12	32.06	-5.06	22.92	26.68	3.76
LAKE	POLSON ELEM	36.82	31.13	-5.69	30.95	36.79	5.84
LAKE	POLSON H S	17.09	14.79	-2.30	15.38	17.86	2.48
LAKE	RONAN ELEM	10.86	9.61	-1.24	9.64	10.94	1.30
LAKE	RONAN H S	1.26	1.47	0.21	1.50	1.29	-0.21
LAKE	ST IGNATIUS ELEM	35.91	30.25	-5.66	29.31	34.98	5.67
LAKE	ST IGNATIUS H S	0.00	0.36	0.36	0.32	0.00	-0.32
LAKE	SWAN LAKE-SALMON ELEM	27.19	27.39	0.20	27.39	27.19	-0.20
LAKE	UPPER WEST SHORE ELEM	8.08	8.08	0.00	8.08	8.08	0.00
LAKE	VALLEY VIEW ELEM	35.31	29.48	-5.83	25.33	30.49	5.16
LEWIS & CLARK	AUCHARD CRK ELEM	6.18	5.16	-1.02	4.47	5.39	0.91
LEWIS & CLARK	AUGUSTA ELEM	45.42	39.07	-6.35	33.25	38.86	5.60
LEWIS & CLARK	AUGUSTA H S	20.32	18.41	-1.92	9.26	10.28	1.02
LEWIS & CLARK	CRAIG ELEM	11.60	11.60	0.00	11.60	11.60	0.00
LEWIS & CLARK	E HELENA ELEM	43.85	37.42	-6.43	37.33	43.97	6.64
LEWIS & CLARK	HELENA ELEM	43.78	38.48	-5.30	41.09	46.99	5.90
LEWIS & CLARK	HELENA H S	21.72	19.36	-2.37	22.89	25.82	2.93
LEWIS & CLARK	KESSLER ELEM	35.21	30.63	-4.58	32.76	37.85	5.09
LEWIS & CLARK	LINCOLN ELEM	44.75	38.39	-6.36	35.51	41.61	6.10
LEWIS & CLARK	LINCOLN HIGH SCHOOL	41.71	35.64	-6.07	20.92	24.61	3.69
LEWIS & CLARK	TRINITY ELEM	0.00	0.51	0.51	0.51	0.00	-0.51

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LEWIS & CLARK	WOLF CREEK ELEM	2.69	3.18	0.49	3.18	2.69	-0.49
LIBERTY	CHESTER ELEM	19.24	22.89	3.64	21.20	17.92	-3.28
LIBERTY	CHESTER H S	0.00	11.29	11.29	8.85	0.00	-8.85
LIBERTY	J-I ELEM	0.00	0.00	0.00	0.00	0.00	0.00
LIBERTY	J-I HIGH SCHOOL	9.97	13.66	3.69	8.55	7.51	-1.04
LIBERTY	LIBERTY ELEM SCHOOL	36.43	33.33	-3.10	25.19	27.68	2.48
LIBERTY	WHITLASH ELEM	0.00	4.87	4.87	4.87	0.00	-4.87
LINCOLN	EUREKA ELEM	36.40	31.79	-4.62	30.80	35.45	4.66
LINCOLN	FORTINE ELEM	28.15	23.51	-4.64	23.82	28.67	4.85
LINCOLN	LIBBY ELEM	39.56	35.17	-4.39	35.52	40.16	4.64
LINCOLN	LIBBY H S	20.08	18.34	-1.75	19.57	21.54	1.98
LINCOLN	LINCOLN CO H S	17.58	15.41	-2.17	15.13	17.36	2.22
LINCOLN	MCCORMICK ELEM	18.48	15.75	-2.73	13.06	15.40	2.34
LINCOLN	SYLVANITE ELEM	53.17	44.70	-8.47	35.30	42.21	6.91
LINCOLN	TREGO ELEM	29.14	25.19	-3.95	25.35	29.48	4.13
LINCOLN	TROY ELEM	40.98	35.37	-5.61	33.35	38.84	5.49
LINCOLN	TROY H S	21.82	18.90	-2.92	17.88	20.76	2.87
LINCOLN	YAAK ELEM	45.14	39.07	-6.07	32.82	38.11	5.29
MADISON	ALDER ELEM	32.75	29.33	-3.42	26.91	31.20	4.28
MADISON	ENNIS ELEM	22.98	24.12	1.14	24.12	22.98	-1.14
MADISON	ENNIS H S	19.41	19.41	-0.00	15.99	18.43	2.43
MADISON	HARRISON ELEM	43.74	37.57	-6.17	30.16	35.30	5.13
MADISON	HARRISON H S	34.59	29.79	-4.80	15.69	18.31	2.62
MADISON	SHERIDAN ELEM	23.92	20.01	-3.92	18.25	21.94	3.69
MADISON	SHERIDAN H S	20.14	17.72	-2.42	13.93	15.92	1.98
MADISON	TWIN BRIDGES ELEM	33.86	29.46	-4.39	26.24	30.31	4.07
MADISON	TWIN BRIDGES H S	19.37	16.85	-2.52	12.38	14.30	1.92
MCCONE	CIRCLE ELEM	11.92	14.92	3.00	13.50	10.84	-2.65
MCCONE	CIRCLE H S	13.50	13.52	0.03	11.61	11.65	0.04
MCCONE	PRAIRIE ELK ELEM	9.89	9.93	0.04	9.93	9.89	-0.04
MCCONE	SOUTHVIEW ELEM	19.54	20.14	0.60	20.14	19.54	-0.60
MCCONE	VIDA ELEM	3.99	5.47	1.48	5.47	3.99	-1.48

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MEAGHER	LENNEP ELEM	3.84	3.93	0.08	3.93	3.84	-0.08
MEAGHER	RINGLING ELEM	6.38	6.46	0.08	6.46	6.38	-0.08
MEAGHER	WHT SULPHUR SPGS ELEM	42.21	38.43	-3.78	35.45	39.14	3.69
MEAGHER	WHT SULPHUR SPGS HS	27.31	24.25	-3.06	19.29	22.17	2.88
MINERAL	ALBERTON ELEM	46.11	39.43	-6.68	34.88	41.00	6.12
MINERAL	ALBERTON H S	34.45	29.71	-4.74	19.46	22.69	3.23
MINERAL	ST REGIS ELEM	41.00	35.56	-5.44	31.74	36.79	5.05
MINERAL	ST REGIS H S	28.25	24.58	-3.67	15.76	18.20	2.45
MINERAL	SUPERIOR ELEM	45.96	40.42	-5.54	38.52	44.03	5.51
MINERAL	SUPERIOR H S	28.99	25.15	-3.84	21.28	24.66	3.38
MISSOULA	BONNER ELEM	50.17	43.01	-7.16	41.57	48.74	7.17
MISSOULA	CLINTON ELEM	52.13	44.33	-7.81	41.10	48.59	7.49
MISSOULA	DESMET SCHOOL	57.46	48.51	-8.95	42.31	50.38	8.07
MISSOULA	FRENCHTOWN ELEM	33.40	28.60	-4.80	27.91	32.92	5.01
MISSOULA	FRENCHTOWN H S	13.46	11.86	-1.60	11.51	13.13	1.62
MISSOULA	HELLGATE ELEM	43.55	36.95	-6.60	37.02	43.86	6.83
MISSOULA	LOLO ELEM	50.93	43.60	-7.33	42.96	50.44	7.48
MISSOULA	MISSOULA ELEM	44.44	38.70	-5.74	41.98	48.45	6.48
MISSOULA	MISSOULA H S	22.02	19.44	-2.58	23.24	26.46	3.22
MISSOULA	POTOMAC ELEM	47.61	40.43	-7.18	34.38	40.70	6.32
MISSOULA	SEELEY LAKE ELEM	43.06	37.60	-5.46	34.78	40.04	5.26
MISSOULA	SUNSET ELEM	33.26	34.07	0.81	25.28	29.70	4.42
MISSOULA	SWAN VALLEY ELEM	16.79	14.02	-2.77	12.09	14.55	2.46
MISSOULA	TARGET RANGE ELEM	43.03	36.87	-6.16	35.30	41.41	6.11
MISSOULA	WOODMAN ELEM	16.33	13.69	-2.64	11.18	13.41	2.23
MUSSELSHELL	MELSTONE ELEM	9.01	31.29	22.28	24.59	7.12	-17.48
MUSSELSHELL	MELSTONE H S	26.14	32.19	6.05	19.81	16.17	-3.64
MUSSELSHELL	MUSSELSHELL ELEM	0.00	26.40	26.40	26.40	0.00	-26.40
MUSSELSHELL	ROUNDUP ELEM	43.64	39.07	-4.58	37.21	41.78	4.57
MUSSELSHELL	ROUNDUP H S	18.99	21.22	2.23	19.58	17.61	-1.97
PARK	ARROWHEAD ELEM	27.30	30.29	3.00	29.90	27.30	-2.61
PARK	COOKE CITY ELEM	31.21	32.47	1.25	32.47	31.21	-1.25

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PARK	GARDINER ELEM	49.04	43.21	-5.83	38.40	43.81	5.41
PARK	GARDINER H S	35.17	31.31	-3.86	22.38	25.28	2.89
PARK	LIVINGSTON ELEM	43.82	38.56	-5.26	38.03	43.43	5.41
PARK	PARK H S	19.68	18.19	-1.49	18.91	20.56	1.66
PARK	PINE CREEK ELEM	33.70	28.14	-5.56	24.64	29.66	5.02
PARK	RICHLAND ELEM	0.00	0.00	0.00	0.00	0.00	0.00
PARK	SPRINGDALE ELEM	14.24	14.41	0.17	14.41	14.24	-0.17
PARK	SHIELDS VALLEY HIGH SCH	14.43	13.08	-1.35	10.09	11.19	1.10
PARK	SHIELDS VLY ELEM SCH DIST	26.38	22.03	-4.35	20.71	24.93	4.22
PETROLEUM	WINNETT ELEM	15.73	23.26	7.53	18.61	12.65	-5.96
PETROLEUM	WINNETT H S	13.79	19.07	5.28	10.18	7.40	-2.78
PHILLIPS	DODSON ELEM	4.30	4.04	-0.26	3.30	3.53	0.23
PHILLIPS	DODSON H S	10.96	11.71	0.75	7.15	6.72	-0.42
PHILLIPS	LANDUSKY ELEM	6.29	6.33	0.04	6.33	6.29	-0.04
PHILLIPS	MALTA ELEM	37.08	34.25	-2.82	33.18	36.10	2.92
PHILLIPS	MALTA H S	21.56	20.04	-1.51	18.91	20.45	1.53
PHILLIPS	SACO ELEM	0.00	18.59	18.59	18.48	0.00	-18.48
PHILLIPS	SACO H S	0.00	15.60	15.60	8.82	0.00	-8.82
PHILLIPS	SECOND CRK ELEM	16.22	16.50	0.27	16.50	16.22	-0.27
PHILLIPS	WHITEWATER ELEM	0.00	7.32	7.32	7.32	0.00	-7.32
PHILLIPS	WHITEWATER H S	0.00	10.25	10.25	6.18	0.00	-6.18
PONDERA	BRADY ELEM	33.19	35.61	2.42	33.94	33.19	-0.75
PONDERA	BRADY H S	35.89	35.38	-0.51	18.63	21.97	3.34
PONDERA	CONRAD ELEM	25.20	28.70	3.50	27.89	24.61	-3.27
PONDERA	CONRAD H S	11.84	16.07	4.23	15.22	11.28	-3.95
PONDERA	DUPUYER ELEM	43.76	38.68	-5.08	35.84	40.76	4.91
PONDERA	HEART BUTTE	43.15	36.05	-7.10	23.11	27.81	4.70
PONDERA	HEART BUTTE ELEM	6.15	5.16	-0.98	4.83	5.78	0.95
PONDERA	MIAMI ELEM	29.75	25.25	-4.50	22.10	26.18	4.08
PONDERA	VALIER ELEM	41.01	35.38	-5.64	33.80	39.39	5.59
PONDERA	VALIER H S	31.72	27.88	-3.84	20.03	22.91	2.88
POWDER RIVER	BELLE CREEK EL	0.00	0.00	0.00	0.00	0.00	0.00

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ANALYSIS OF EFFECT OF KADAS NON LEVY REVENUE AMENDMENT
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED
FY93 RESTATEMENT

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. CURRENT GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS AMENDMENT HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
POWDER RIVER	BIDDLE ELEM	25.65	24.91	-0.74	22.46	23.25	0.79
POWDER RIVER	BILLUP ELEM	26.29	26.50	0.21	16.85	20.13	3.27
POWDER RIVER	BROADUS ELEM	21.32	21.53	0.21	19.28	19.19	-0.09
POWDER RIVER	HORKAN CRK ELEM	34.61	29.26	-5.34	18.21	21.65	3.44
POWDER RIVER	POWDER RVR CO DIST HS	0.00	10.57	10.57	9.00	0.00	-9.00
POWDER RIVER	SO STACEY ELEM	36.24	33.14	-3.10	19.27	22.98	3.71
POWELL	AVON ELEM	14.09	14.69	0.60	14.69	14.09	-0.60
POWELL	DEER LODGE ELEM	31.86	28.69	-3.17	28.10	31.37	3.27
POWELL	ELLISTON ELEM	37.18	37.94	0.76	37.11	37.18	0.06
POWELL	GARRISON ELEM	0.00	0.00	0.00	0.00	0.00	0.00
POWELL	GOLD CREEK ELEM	0.00	0.00	0.00	0.00	0.00	0.00
POWELL	HELMVILLE ELEM	30.20	30.61	0.41	30.61	30.20	-0.41
POWELL	OVANDO ELEM	45.79	40.09	-5.70	35.10	40.30	5.20
POWELL	POWELL CO H S	17.41	15.85	-1.56	15.64	17.26	1.63
PRAIRIE	TERRY ELEM	10.45	10.28	-0.17	9.22	9.41	0.20
PRAIRIE	TERRY H S	13.03	11.80	-1.23	9.01	10.00	0.99
RAVALLI	CORVALLIS ELEM	46.36	39.98	-6.38	38.45	44.81	6.37
RAVALLI	CORVALLIS H S	19.28	16.58	-2.70	16.28	19.03	2.75
RAVALLI	DARBY ELEM	42.68	37.35	-5.33	34.97	40.16	5.19
RAVALLI	DARBY H S	23.17	20.15	-3.02	17.99	20.80	2.81
RAVALLI	FLORENCE-CARLTON ELEM	40.82	34.78	-6.04	33.75	39.81	6.07
RAVALLI	FLORENCE-CARLTON HS	22.20	19.12	-3.07	17.22	20.10	2.87
RAVALLI	HAMILTON ELEM	24.10	22.31	-1.79	21.83	23.71	1.88
RAVALLI	HAMILTON H S	10.64	9.85	-0.79	10.15	11.03	0.87
RAVALLI	LONE ROCK ELEM	40.34	35.02	-5.32	36.82	42.63	5.81
RAVALLI	STEVENSVILLE EL	32.74	28.60	-4.15	27.63	31.80	4.17
RAVALLI	STEVENSVILLE HS	12.43	10.94	-1.50	11.09	12.67	1.58
RAVALLI	VICTOR ELEM	39.27	35.74	-3.53	33.05	36.50	3.45
RAVALLI	VICTOR H S	27.70	25.75	-1.95	19.00	20.54	1.55
RICHLAND	BRORSON ELEM	0.00	0.00	0.00	0.00	0.00	0.00
RICHLAND	FAIRVIEW ELEM	0.00	16.46	16.46	14.75	0.00	-14.75
RICHLAND	FAIRVIEW H S	0.00	0.00	0.00	0.00	0.00	0.00

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RICHLAND	LAMBERT ELEM	0.00	0.60	0.60	0.50	0.00	-0.50
RICHLAND	LAMBERT H S	0.00	9.77	9.77	5.36	0.00	-5.36
RICHLAND	RAU ELEM	3.74	15.59	11.86	15.66	3.77	-11.89
RICHLAND	SAVAGE ELEM	33.03	40.46	7.43	35.82	29.40	-6.43
RICHLAND	SAVAGE H S	8.32	30.58	22.26	15.39	4.21	-11.18
RICHLAND	SIDNEY ELEM	10.56	21.75	11.19	21.52	10.51	-11.02
RICHLAND	SIDNEY H S	6.93	17.41	10.49	18.38	7.35	-11.03
ROOSEVELT	BAINVILLE ELEM	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	BAINVILLE H S	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	BROCKTON ELEM	57.74	48.44	-9.30	41.45	49.66	8.21
ROOSEVELT	BROCKTON H S	45.39	38.03	-7.35	22.55	27.05	4.50
ROOSEVELT	CULBERTSON ELEM	27.07	28.06	1.00	26.38	25.58	-0.80
ROOSEVELT	CULBERTSON H S	14.57	17.12	2.55	13.07	11.18	-1.89
ROOSEVELT	FROID ELEM	8.84	20.91	12.07	17.40	7.40	-10.01
ROOSEVELT	FROID H S	19.82	24.81	4.99	13.77	11.06	-2.71
ROOSEVELT	FRONTIER ELEM	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	POPLAR ELEM	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	POPLAR H S	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	WOLF POINT ELEM	23.63	21.73	-1.90	21.67	23.68	2.02
ROOSEVELT	WOLF POINT H S	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	ASHLAND ELEM	29.23	26.50	-2.73	22.59	25.05	2.45
ROSEBUD	BIRNEY ELEM	15.21	16.84	1.64	13.77	12.49	-1.27
ROSEBUD	COLSTRIP ELEM	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	COLSTRIP H S	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	FORSYTH ELEM	28.08	25.53	-2.55	24.20	26.75	2.55
ROSEBUD	FORSYTH H S	6.47	9.61	3.13	9.14	6.19	-2.95
ROSEBUD	LAME DEER ELEM	46.71	39.84	-6.88	39.66	46.75	7.09
ROSEBUD	ROCK SPRING ELEM	3.98	4.11	0.12	4.11	3.98	-0.12
ROSEBUD	ROSEBUD ELEM	40.44	35.86	-4.58	30.18	34.21	4.03
ROSEBUD	ROSEBUD H S	21.84	24.14	2.30	12.35	13.45	1.10
SANDERS	CAMAS PRAIRIE ELEM	7.23	7.25	0.02	7.25	7.23	-0.02
SANDERS	DIXON ELEM	43.51	36.33	-7.18	35.40	42.61	7.21

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SANDERS	HOT SPRINGS ELEM	47.83	40.78	-7.05	35.52	41.88	6.35
SANDERS	HOT SPRINGS H S	30.31	25.90	-4.41	18.43	21.68	3.25
SANDERS	NOXON ELEM	39.77	40.50	0.72	39.62	39.77	0.15
SANDERS	NOXON H S	18.30	18.51	0.21	18.51	18.30	-0.21
SANDERS	PARADISE ELEM	49.80	43.04	-6.76	42.01	48.87	6.86
SANDERS	PLAINS ELEM	33.23	29.61	-3.62	27.53	31.06	3.53
SANDERS	PLAINS H S	21.34	18.74	-2.60	16.74	19.16	2.42
SANDERS	THOMPSON FALLS ELEM	44.70	38.97	-5.74	36.98	42.64	5.66
SANDERS	THOMPSON FALLS H S	23.72	20.46	-3.26	18.86	21.98	3.12
SANDERS	TROUT CRK ELEM	8.19	9.17	0.98	9.17	8.19	-0.98
SHERIDAN	HIAWATHA ELEM	0.00	0.00	0.00	0.00	0.00	0.00
SHERIDAN	MEDICINE LK EL	0.00	5.54	5.54	4.90	0.00	-4.90
SHERIDAN	MEDICINE LK H S	0.00	16.18	16.18	11.89	0.00	-11.89
SHERIDAN	OUTLOOK ELEM	0.00	1.58	1.58	1.13	0.00	-1.13
SHERIDAN	OUTLOOK H S	0.00	18.17	18.17	7.45	0.00	-7.45
SHERIDAN	PLENTYWOOD ELEM	37.12	38.56	1.44	36.72	35.53	-1.19
SHERIDAN	PLENTYWOOD H S	13.92	20.08	6.16	17.87	12.45	-5.42
SHERIDAN	WESTBY ELEM	0.00	0.00	0.00	0.00	0.00	0.00
SHERIDAN	WESTBY H S	0.00	0.00	0.00	0.00	0.00	0.00
SILVER BOW	BUTTE ELEM	38.32	34.73	-3.59	36.77	40.79	4.02
SILVER BOW	BUTTE H S	18.29	16.74	-1.55	19.27	21.17	1.90
SILVER BOW	DIVIDE ELEM	51.72	49.23	-2.49	38.09	45.35	7.26
SILVER BOW	MELROSE ELEM	23.47	24.09	0.62	20.90	20.47	-0.43
SILVER BOW	RAMSAY ELEM	33.56	34.00	0.44	34.00	33.56	-0.44
STILLWATER	ABSAROKEE ELEM	35.89	31.17	-4.72	28.92	33.47	4.56
STILLWATER	ABSAROKEE H S	19.75	17.25	-2.49	14.66	16.86	2.20
STILLWATER	COLUMBUS ELEM	41.16	35.96	-5.20	34.72	39.95	5.23
STILLWATER	COLUMBUS H S	22.90	20.12	-2.78	17.42	19.93	2.51
STILLWATER	FISHTAIL ELEM	10.37	10.49	0.12	10.49	10.37	-0.12
STILLWATER	MOLT ELEM	0.00	0.00	0.00	0.00	0.00	0.00
STILLWATER	NYE ELEM	28.32	29.33	1.01	29.33	28.32	-1.01
STILLWATER	PARK CITY ELEM	24.64	20.81	-3.83	19.17	22.81	3.65

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STILLWATER	PARK CITY H S	17.31	15.20	-2.12	12.55	14.37	1.82
STILLWATER	RAPELJE ELEM	0.00	0.00	0.00	0.00	0.00	0.00
STILLWATER	RAPELJE H S	14.33	16.20	1.86	10.76	11.46	0.70
STILLWATER	REEDPOINT ELEM	21.60	23.36	1.76	17.20	19.15	1.95
STILLWATER	REEDPOINT H S	25.42	25.14	-0.28	9.45	10.85	1.39
SWEET GRASS	BIG TIMBER ELEM	40.35	34.86	-5.49	32.74	38.09	5.35
SWEET GRASS	BRIDGE ELEM	7.68	8.08	0.40	8.08	7.68	-0.40
SWEET GRASS	GREYCLIFF ELEM	15.35	15.52	0.17	13.90	15.35	1.45
SWEET GRASS	MCLEOD ELEM	0.00	0.00	0.00	0.00	0.00	0.00
SWEET GRASS	MELVILLE ELEM	23.36	23.95	0.59	23.95	23.36	-0.59
SWEET GRASS	SWEET GRASS CO HS	28.40	24.95	-3.46	23.10	26.44	3.34
TETON	BYNUM ELEM	15.09	13.10	-1.99	12.34	14.29	1.95
TETON	CHOTEAU ELEM	44.31	38.72	-5.59	36.80	42.33	5.53
TETON	CHOTEAU H S	20.99	20.86	-0.13	18.47	18.67	0.21
TETON	DUTTON ELEM	26.81	28.65	1.84	26.87	26.81	-0.06
TETON	DUTTON H S	23.25	25.24	1.99	16.47	18.26	1.79
TETON	FAIRFIELD ELEM	30.99	26.57	-4.43	24.03	28.18	4.15
TETON	FAIRFIELD H S	20.23	17.43	-2.80	15.02	17.52	2.50
TETON	GOLDEN RIDGE ELEM	25.48	21.34	-4.15	19.68	23.62	3.95
TETON	GREENFIELD ELEM	40.24	35.36	-4.88	27.96	31.98	4.03
TETON	PENDROY ELEM	5.62	11.68	6.07	11.68	5.62	-6.07
TETON	POWER ELEM	53.85	46.00	-7.85	39.83	46.87	7.04
TETON	POWER H S	40.91	35.20	-5.71	21.28	24.86	3.58
TOOLE	GALATA ELEM	0.00	0.00	0.00	0.00	0.00	0.00
TOOLE	SHELBY ELEM	25.10	25.97	0.88	25.00	24.28	-0.72
TOOLE	SHELBY H S	3.16	7.40	4.24	6.89	2.96	-3.93
TOOLE	SUNBURST ELEM	3.98	24.36	20.38	22.39	3.67	-18.72
TOOLE	SUNBURST H S	6.22	15.67	9.45	12.21	4.90	-7.31
TREASURE	HYSHAM ELEM	34.60	35.64	1.04	35.64	34.60	-1.04
TREASURE	HYSHAM H S	26.52	27.83	1.31	18.99	21.79	2.80
VALLEY	FRAZER ELEM	44.72	37.61	-7.11	33.27	39.77	6.49
VALLEY	FRAZER H S	32.48	33.10	0.62	19.46	22.99	3.53

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VALLEY	FT PECK ELEM	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	GLASGOW ELEM	35.60	33.40	-2.20	32.92	35.27	2.35
VALLEY	GLASGOW H S	15.55	15.79	0.24	15.48	15.32	-0.16
VALLEY	HINSDALE ELEM	0.98	4.03	3.05	4.03	0.98	-3.05
VALLEY	HINSDALE H S	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	LUSTRE ELEM	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	NASHUA ELEM	51.62	44.39	-7.23	38.42	44.91	6.49
VALLEY	NASHUA H S	31.99	27.74	-4.24	19.12	22.16	3.04
VALLEY	OPHEIM ELEM	3.56	4.69	1.13	4.69	3.56	-1.13
VALLEY	OPHEIM H S	3.59	4.57	0.98	2.73	2.58	-0.15
WHEATLAND	HARLOWTON ELEM	38.40	33.60	-4.80	30.22	34.71	4.49
WHEATLAND	HARLOWTON H S	23.22	20.74	-2.48	16.77	18.87	2.10
WHEATLAND	JUDITH GAP ELEM	54.27	45.60	-8.67	38.31	45.83	7.52
WHEATLAND	JUDITH GAP H S	45.00	37.59	-7.41	17.63	21.22	3.59
WHEATLAND	SHAWMUT ELEM	0.00	0.00	0.00	0.00	0.00	0.00
WHEATLAND	TWO DOT ELEM	1.90	1.99	0.09	1.99	1.90	-0.09
WIBAUX	WIBAUX ELEM	0.00	0.00	0.00	0.00	0.00	0.00
WIBAUX	WIBAUX H S	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	BILLINGS ELEM	41.05	35.77	-5.28	39.21	45.22	6.02
YELLOWSTONE	BILLINGS H S	19.65	17.09	-2.56	20.60	23.81	3.21
YELLOWSTONE	BLUE CREEK ELEM	24.81	20.78	-4.04	21.37	25.65	4.28
YELLOWSTONE	BROADVIEW ELEM	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	BROADVIEW H S	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	CANYON CRK ELEM	48.34	41.30	-7.04	38.06	44.78	6.72
YELLOWSTONE	CUSTER ELEM	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	CUSTER H S	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	ELDER GROVE ELEM	43.77	37.20	-6.57	34.09	40.32	6.23
YELLOWSTONE	ELYSIAN ELEM	18.03	18.43	0.41	18.43	18.03	-0.41
YELLOWSTONE	HUNTLEY PROJ ELEM	41.20	35.29	-5.91	34.12	40.04	5.92
YELLOWSTONE	HUNTLEY PROJ HS	23.04	19.86	-3.18	18.13	21.13	3.01
YELLOWSTONE	INDEPENDENT ELEM	34.99	29.21	-5.77	30.72	36.98	6.26
YELLOWSTONE	LAUREL ELEM	42.66	36.82	-5.84	36.39	42.38	5.99

EXH 4
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YELLOWSTONE	LAUREL H S	13.26	11.55	−1.71	12.26	14.14	1.88
YELLOWSTONE	LOCKWOOD ELEM	39.51	33.58	−5.92	33.71	39.86	6.15
YELLOWSTONE	MORIN ELEM	2.29	2.33	0.03	2.33	2.29	−0.03
YELLOWSTONE	PIONEER ELEM	36.43	31.08	−5.34	31.40	37.00	5.59
YELLOWSTONE	SHEPHERD ELEM	34.52	29.39	−5.13	27.89	32.93	5.04
YELLOWSTONE	SHEPHERD H S	26.69	23.04	−3.65	21.74	25.31	3.57

EXH 7
4-5-93 #2

BOARD OF EDUCATION
HARLAN CONRADSEN, Chairman
DOUG PUST, Vice-Chairman
CLIFFORD BERGSTEDT, Trustee
GARY DARDIS, Trustee
MARK TOMBRE, Trustee

SAVAGE PUBLIC SCHOOLS
Elementary District No. 7 & H.S. District No. 2
Richland County - Savage, Montana 59262
776-2317 Fax: 776-2260

JOHN J. McNEIL
Superintendent
DARREL STOLL
H.S. Principal
JOHN PFEIFER
El. Principal
MILDRED SHIELDS
Clerk

APRIL 5, 1993

SENATE SCHOOL FINANCE SUB-COMMITTEE

MONTANA SENATE

R.E. NON-LEVY REVENUE COAL FLAT TAX

DEAR COMMITTEE MEMBERS,

IN YOUR CONSIDERATIONS OF REMOVING THE COAL FLAT TAX REVENUE FROM OUR SCHOOL DISTRICT PLEASE CONSIDER THE FOLLOWING:

A. KNIFE RIVER COAL COMPANY ALONG WITH ITS COAL PRODUCTION HAS BEEN A PART OF OUR COMMUNITY AND TAX BASE SINCE 1958.

B. HB28 REMOVED THE COAL PRODUCTION FROM OUR TAX BASE AND IN ITS PLACE GAVE THE NON-LEVY REVENUE TO OFF SET THE TAX BASE LOSE.

C. THE COAL FLAT TAX REVENUE ASSISTS OUR DISTRICT IN THE PERMISSIVE AREA OF OUR BUDGET. WE STILL HAVE TO LEVY WITH THE REDUCED MILL VALUE IN THE VOTED AREA.

D. THE VALUE OF OUR MILL DROPPED FROM $3,097 PER MILL BEFORE HB28 TO $1,601 THE YEAR AFTER HB28 WITH THE REMOVAL OF THE COAL PRODUCTION TAX FROM OUR TAX BASE.

E. IN COMPARING OUR TAX BASE TO OTHER CLASS 'C' SCHOOLS OF MONTANA WE WERE RANKED 47TH OF 90 PRE HB28 AND ARE NOW 73RD OF 90 POST HB28.

F. UNDER HB667 WE WILL BE REQUIRED TO USE OUR REDUCED MILL VALUE TO FUND OUR SCHOOLS BETWEEN THE 80 TO 100% LEVEL. THE HIGH SCHOOL AMOUNT WOULD BE 42 MILLS AND THE ELEMENTARY AMOUNT TO 100% WOULD BE 80.6 MILLS.

G. IF WE ARE ALLOWED TO RETAIN THE COAL FLAT TAX REVENUE AND USE THESE FUNDS IN THE PERMISSIVE 40% AREA OF OUR BUDGET IT SOMEWHAT OFFSETS THE LOSE OF THE COAL PRODUCTION FROM OUR TAX BASE. OBVIOUSLY WE WOULD BE MUCH BETTER OFF IF THE COAL PRODUCTION WERE PART OF OUR TAX BASE AS IT SHOULD BE.

YOURS TRULY,

JOHN J. MCNEIL

Exh 8 HB667
April 5- #2

SUMMARY OF PROPOSED RULES IMPLEMENTING HB 28

Prepared for the Legislative Oversight Committee
on School Funding Implementation

by Terry Cohea, Senior RevenueAnalyst
Office of Public Instruction

January 1990

FY91 nontax revenues	$50,000
Taxable value of the nontax revenue for GTB purposes [$50,000/50 mills) X 1000]	$ 1,000,000
Total taxable value for GTB purposes	$6,000,000
District mill value/ANB ($6,000/950)	$ 6.32

Impact on district

The district plans to raise $285,000 with permissive mills. The district is eligible for GTB aid, so it uses the statewide mill value/ANB in calculating the mills needed:

$285,000/[$20.00 X 950ANB] = 15 mills

These 15 mills raise $269,940:

Local property tax(15 mills X $5,000,000)	$ 75,000
GTB aid [($20-6.32) X 950ANB X 15 mills]	194,940

When combined with the nontax revenue($50,000), this produces $319,940 to fund the permissive amount.

The $319,940 the district raised with the 15 mills is more than the $285,000 it was trying to raise. The reason for the over-collection is the difference in mill levies between the two years. In the GTB calculation, nontax revenue was converted to taxable value based on the previous year's 50 mills. Since, however, the next year's mill levy was lower **the amount of GTB aid received was inflated and over-collection resulted.**

Many districts eligible for GTB aid may experience some overcollection next year, since the general fund levies in FY91 will generally be less than this year(FY90) because of the additional foundation program support and GTB aid provided in HB28. However, under the proposed rules [Chapter 45, Rule IV (4-5)] any overcollection of GTB aid reverts to the state. Other revenue collected but not needed to fund the current year's budget would be placed in reserves or become cash reappropriated, reducing next year's mill levies.

SOLUTION PROPOSED

To minimize the distortions illustrated in Examples #1 and #2, the proposed rules exclude interest from the GTB calculation. Interest earnings comprise a large portion(34%) of nontax revenue, can fluctuate from year to year, and don't respond to mill levy change. Most of the other nontax revenue sources included in the GTB calculation:

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1) do not fluctuate as much as interest earnings. Personal property tax reimbursements and motor vehicle/recreational vehicle fees remain relatively constant from year to year. While not as variable as interest earned, reimbursements from the coal gross proceeds and local government severance taxes may vary from year to year, causing some distortions. However, sections 15-23-607 and 15-23-703 specifically require that this reimbursement be included in the GTB calculation.

2) automatically adjust for changes in mill levies. Personal property tax reimbursements and motor vehicle/recreational vehicle fees are distributed based on current year's mill levies, so the impact of changes in mill levies between the two years is lessened. This is, however, not true for reimbursements from coal gross proceeds and local government severance taxes; distribution is based on 1989 mill levies.

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An interesting fact is that in FY 88 three items :

Motor vehicles and recreational vehicles fees	41.49%
Investment earnings	34.26%
tuition and fees	11.31%

were 87% of the nontax revenue. Because the other 19 nontax revenue sources comprised less than 1% of the total general fund revenues those sources were excluded frm GTB calculations.

Three new sources, LGST, Coal Gross Proceeds and Personal Property Tax Reimbursements, were added to nontax revenues in 1990. These new sources are included in GTB mill values computations. The LGST and and Coal Gross Proceeds now comprise 55.06% of the total nontax revenues.

They are proposed to be equalized. If they are equalized, are they still part of the GTB mill value computations? Regardless of their status in nontax revenues, the impact of their loss to the impacted districts is borne by the remaining taxpayers since these revenue sources have been removed from taxable value because of HB28. The remaining taxpayers are now proposed to lose all income from these sources. These taxpayers will have to absorb future mill increases for HB667, past increases from HB28 and now increases to replace the loss of nontax revenues.

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MAY 29 1992

OFFICE OF PUBLIC INSTRUCTION

Nancy Keenan
Superintendent

STATE CAPITOL
HELENA, MONTANA 59620
(406) 444-3095

May 20, 1992

To: County and District Superintendents

From: Madalyn Quinlan MJQ
Revenue Analyst

Subject: Local Government Severance Tax Distribution -- Fiscal 1993 Estimates

Attached are **estimates** of local government severance tax (LGST) payments to school districts for fiscal 1993. An estimated $8.66 million will be distributed to school districts to fund fiscal 1993 budgets. These payments will be made in November 1992 and May 1993 to those school districts that had eligible oil and gas production in calendar 1991.

"Eligible production" is production from wells that began producing prior to April 1, 1985. The fiscal 1993 distribution of LGST to school districts is determined by the level of oil and gas production within the district in calendar 1991 and the "unit value" established for each taxing jurisdiction based on taxes collected on calendar 1988 production.

The Department of Revenue sends LGST payments to the county treasurers semi-annually at the end of November and May. Within the county, the treasurer distributes the revenues in proportion to the mills that were levied by each taxing jurisdiction in fiscal 1990. These estimates of LGST revenue to school districts are based on taxes due from oil and gas producers. The estimates do not include any interest earnings, which the state is also required to distribute. **School districts can expect to receive the amounts shown plus interest.**

Section 15-36-112, MCA directs school districts to first distribute LGST revenues to budgeted funds in proportion to the mills levied in fiscal 1990. If the allocation to a fund exceeds the total budget of the fund, a district may reallocate the excess to any other budgeted fund.

In addition to the estimated fiscal 1993 payment, the attached table shows the actual fiscal 1992 payment to districts. If the fiscal 1992 payment to your district varies significantly from the amount shown, please let me know. I can be reached at 444-3168.

Local Government Severance Tax Distribution- Fiscal 1993 Estimates

COUNTY	DISTRICT	LEGAL ENTITY	FY 1993 ESTIMATED PAYMENT	FY1992 ACTUAL PAYMENT	DIFFERENCE
BIG HORN	Hardin Elem	0023	2,675	2,217	458
BIG HORN	Lodge Grass Elem	0025	1,872	3,616	(1,744)
BIG HORN	Wyola Elem	0026	616	294	322
BIG HORN	Hardin HS	1189	3,955	3,278	677
BIG HORN	Lodge Grass HS	1190	522	723	(202)
BLAINE	Chinook Elem	0028	146,684	176,278	(29,594)
BLAINE	Chinook HS	0029	136,709	159,494	(22,786)
BLAINE	Harlem HS	0031	3,934	5,191	(1,258)
BLAINE	Cleveland Elem	0032	4,164	5,495	(1,331)
BLAINE	Zurich Elem	0034	25,721	33,094	(7,373)
BLAINE	Lloyd Elem	0036	1,911	1,945	(34)
BLAINE	Cow Island Trail Elem	0043	16	22	(6)
BLAINE	Bear Paw Elem	0048	353	372	(19)
CARBON	Red Lodge Elem	0056	170	728	(558)
CARBON	Red Lodge HS	0057	95	407	(312)
CARBON	Bridger Elem	0058	34,067	42,294	(8,226)
CARBON	Bridger HS	0059	35,645	44,252	(8,607)
CARBON	Roberts Elem	0068	0	0	0
CARBON	Roberts HS	0069	0	0	0
CARBON	Belfry Elem	0075	120,497	145,161	(24,664)
CARBON	Belfry HS	0076	90,434	108,945	(18,511)
CARTER	Plainview Elem	0086	0	0	0
CARTER	Ridge Elem	0090	0	0	0
CARTER	Carter County HS	0097	0	0	0
CHOUTEAU	Fort Benton HS	0134	1,849	2,593	(743)
CHOUTEAU	Big Sandy Elem	0137	3,579	3,660	(81)
CHOUTEAU	Big Sandy HS	0138	30,817	30,759	58
CHOUTEAU	Warrick Elem	0144	3,148	3,136	12
CHOUTEAU	Knees Elem	0161	302	423	(121)
CUSTER	SH Foster Creek Elem	0190	857	950	(93)
CUSTER	Custer County HS	0192	10,485	11,623	(1,138)
DANIELS	Scobey Elem	0193	0	0	0
DANIELS	Scobey HS	0194	0	0	0
DAWSON	Glendive Elem	0206	65,291	97,871	(32,580)
DAWSON	Dawson County HS	0207	84,883	104,180	(19,297)
DAWSON	Upper Cracker Box Elem	0211	3,535	3,391	144
DAWSON	Bloomfield Elem	0215	2,259	3,147	(888)
DAWSON	Richey Elem	0227	2,023	3,016	(993)
DAWSON	Richey HS	0228	9,091	12,849	(3,758)
DAWSON	Deer Creek Elem	1193	6,002	4,835	1,167
FALLON	Baker Elem	0243	480,252	595,516	(115,264)
FALLON	Baker HS	0244	625,522	777,713	(152,191)
FALLON	Fertile Prairie Elem	0254	56,094	69,922	(13,828)

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Local Government Severance Tax Distribution- Fiscal 1993 Estimates

COUNTY	DISTRICT	LEGAL ENTITY	FY 1993 ESTIMATED PAYMENT	FY1992 ACTUAL PAYMENT	DIFFERENCE
FALLON	Plevna Elem	0255	193,287	251,433	(58,146)
FALLON	Plevna HS	0256	142,622	185,527	(42,905)
FERGUS	Winifred Elem	0290	1,321	1,782	(462)
FERGUS	Winifred HS	0291	1,273	1,718	(445)
GARFIELD	Garfield County HS	0378	8,125	8,965	(840)
GARFIELD	Big Dry Creek Elem	0380	3,074	3,355	(281)
GARFIELD	Sand Springs Elem	0392	79	95	(16)
GLACIER	Browning Elem	0400	95,512	112,767	(17,255)
GLACIER	Browning HS	0401	61,489	72,598	(11,109)
GLACIER	Cut Bank Elem	0402	315,270	374,632	(59,362)
GLACIER	Cut Bank HS	0403	322,160	382,819	(60,659)
GOLDEN VALLEY	Ryegate Elem	0406	3,195	4,019	(824)
GOLDEN VALLEY	Ryegate HS	0407	2,122	2,669	(547)
GOLDEN VALLEY	Lavina Elem	0410	45	92	(47)
GOLDEN VALLEY	Lavina HS	0411	28	57	(30)
HILL	Davey Elem	0424	14,002	16,922	(2,920)
HILL	Box Elder Elem	0425	0	0	0
HILL	Box Elder HS	0426	0	0	0
HILL	Havre Elem	0427	230,551	282,132	(51,580)
HILL	Havre HS	0428	120,945	147,246	(26,301)
HILL	Cottonwood Elem	0445	15,101	17,927	(2,826)
HILL	Rocky Boy Elem	1207	0	0	0
HILL	K-G Elem	1208	0	0	0
HILL	K-G HS	1209	0	0	0
HILL	Blue Sky Elem	1219	660	666	(5)
HILL	Blue Sky HS	1220	644	649	(5)
LIBERTY	Whitlash Elem	0506	6,252	7,299	(1,048)
LIBERTY	J-I Elem	0507	7,529	8,290	(761)
LIBERTY	J-I HS	0508	10,097	11,118	(1,021)
LIBERTY	Chester Elem	0510	39,380	44,970	(5,590)
LIBERTY	Chester HS	0511	112,442	129,972	(17,530)
LIBERTY	Liberty Elem	1224	1,245	1,173	72
MC CONE	Circle Elem	0547	27,044	32,134	(5,090)
MC CONE	Circle HS	0548	20,334	23,387	(3,053)
MC CONE	Prairie Elk Elem	0551	0	0	0
MC CONE	Vida Elem	0566	2,702	2,690	12
MUSSELSHELL	Musselshell Elem	0600	31,226	40,875	(9,649)
MUSSELSHELL	Roundup Elem	0605	22,245	28,777	(6,532)
MUSSELSHELL	Roundup HS	0606	20,701	26,781	(6,079)
MUSSELSHELL	Melstone Elem	0607	41,703	57,813	(16,110)
MUSSELSHELL	Melstone HS	0608	34,432	47,733	(13,301)
PETROLEUM	Winnett Elem	0641	20,667	24,512	(3,845)
PETROLEUM	Winnett HS	0642	20,983	24,887	(3,904)

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Local Government Severance Tax Distribution- Fiscal 1993 Estimates

COUNTY	DISTRICT	LEGAL ENTITY	FY 1993 ESTIMATED PAYMENT	FY1992 ACTUAL PAYMENT	DIFFERENCE
PHILLIPS	Saco HS	0657	168,236	150,447	17,789
PHILLIPS	Malta Elem	0658	8,312	9,901	(1,588)
PHILLIPS	Malta HS	0659	7,247	8,632	(1,385)
PHILLIPS	Whitewater Elem	0662	93,706	120,027	(26,321)
PHILLIPS	Whitewater HS	0663	78,389	100,408	(22,018)
PHILLIPS	Saco Elem	1203	166,366	143,612	22,754
PONDERA	Dupuyer Elem	0671	463	797	(334)
PONDERA	Conrad Elem	0674	98,081	126,543	(28,462)
PONDERA	Conrad HS	0675	77,493	100,002	(22,509)
PONDERA	Valier Elem	0679	2,178	2,647	(469)
PONDERA	Valier HS	0680	2,436	3,082	(646)
PONDERA	Brady Elem	0681	688	891	(203)
PONDERA	Brady HS	0682	503	651	(148)
PONDERA	Miami Elem	0684	35	53	(18)
POWDER RIVER	Biddle Elem	0692	4,970	5,629	(659)
POWDER RIVER	Belle Creek Elem	0695	46,126	63,034	(16,908)
POWDER RIVER	Powder River HS	0706	150,434	204,905	(54,471)
PRAIRIE	Terry Elem	0725	4,119	7,272	(3,153)
PRAIRIE	Terry HS	0726	4,898	8,648	(3,750)
RICHLAND	Sidney Elem	0745	370,926	395,571	(24,645)
RICHLAND	Sidney HS	0746	394,649	490,367	(95,718)
RICHLAND	Savage Elem	0747	1,573	2,242	(669)
RICHLAND	Savage HS	0748	3,677	5,127	(1,450)
RICHLAND	Brorson Elem	0749	10,942	15,099	(4,157)
RICHLAND	Fairview Elem	0750	216,911	298,649	(81,738)
RICHLAND	Fairview HS	0751	135,942	187,332	(51,390)
RICHLAND	Rau Elem	0754	24,570	34,438	(9,868)
RICHLAND	Three Buttes Elem	0756	0	0	0
RICHLAND	Lambert Elem	0768	42,230	63,371	(21,141)
RICHLAND	Lambert HS	0769	46,524	70,645	(24,121)
ROOSEVELT	Frontier Elem	0774	44,381	64,889	(20,509)
ROOSEVELT	Poplar Elem	0775	43,086	56,381	(13,295)
ROOSEVELT	Poplar HS	0776	157,131	205,617	(48,486)
ROOSEVELT	Culbertson Elem	0777	62,433	82,314	(19,880)
ROOSEVELT	Culbertson HS	0778	35,418	45,651	(10,233)
ROOSEVELT	Wolf Point Elem	0780	38,157	47,424	(9,267)
ROOSEVELT	Wolf Point HS	0781	55,148	74,362	(19,214)
ROOSEVELT	Bainville Elem	0784	160,773	216,531	(55,759)
ROOSEVELT	Bainville HS	0785	131,561	177,189	(45,628)
ROOSEVELT	Froid Elem	0786	29,317	38,673	(9,355)
ROOSEVELT	Froid HS	0787	21,827	28,793	(6,965)
ROSEBUD	Forsyth HS	0791	99,647	107,861	(8,214)
ROSEBUD	Ingomar Elem	0801	30,635	33,161	(2,525)

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Local Government Severance Tax Distribution– Fiscal 1993 Estimates

COUNTY	DISTRICT	LEGAL ENTITY	FY 1993 ESTIMATED PAYMENT	FY1992 ACTUAL PAYMENT	DIFFERENCE
SHERIDAN	Westby Elem	0818	115,102	143,397	(28,295)
SHERIDAN	Westby HS	0819	187,797	241,940	(54,143)
SHERIDAN	Medicine Lake Elem	0821	182,870	248,026	(65,156)
SHERIDAN	Medicine Lake HS	0822	174,530	232,193	(57,662)
SHERIDAN	Plentywood Elem	0827	56,121	74,342	(18,221)
SHERIDAN	Plentywood HS	0828	62,424	82,691	(20,268)
SHERIDAN	Outlook Elem	0830	54,406	77,688	(23,282)
SHERIDAN	Outlook HS	0831	37,667	53,786	(16,119)
SHERIDAN	Hiawatha Elem	0837	42,889	55,546	(12,656)
STILLWATER	Molt Elem	0852	861	1,438	(578)
STILLWATER	Fishtail Elem	0853	0	0	0
STILLWATER	Rapelje Elem	0858	6,803	9,687	(2,884)
STILLWATER	Rapelje HS	0859	6,517	9,457	(2,940)
STILLWATER	Absarokee Elem	0861	0	0	0
STILLWATER	Absarokee HS	0862	0	0	0
TETON	Choteau Elem	0883	0	0	0
TETON	Choteau HS	0884	18,867	25,626	(6,759)
TETON	Bynum Elem	0889	15	113	(98)
TETON	Dutton Elem	0892	1,233	1,717	(483)
TETON	Dutton HS	0893	763	1,062	(299)
TETON	Pendroy Elem	0898	4,682	6,326	(1,644)
TOOLE	Sunburst Elem	0902	88,383	112,313	(23,930)
TOOLE	Sunburst HS	0903	117,553	148,412	(30,859)
TOOLE	Kevin Elem	0907	11,063	13,149	(2,086)
TOOLE	Shelby Elem	0910	32,282	40,439	(8,157)
TOOLE	Shelby HS	0911	55,414	69,477	(14,063)
TOOLE	Galata Elem	0915	11,879	14,899	(3,020)
VALLEY	Frazer Elem	0927	603	760	(157)
VALLEY	Frazer HS	0928	4,182	6,011	(1,829)
VALLEY	Hinsdale Elem	0932	25,557	16,096	9,461
VALLEY	Hinsdale HS	0933	42,931	24,502	18,429
VALLEY	Lustre Elem	0941	8,145	11,793	(3,648)
WIBAUX	Wibaux Elem	0954	171,197	201,321	(30,123)
WIBAUX	Wibaux HS	0964	101,669	119,558	(17,889)
YELLOWSTONE	Laurel Elem	0970	1,222	1,553	(331)
YELLOWSTONE	Laurel HS	0971	965	1,226	(261)
YELLOWSTONE	Custer Elem	0974	6,895	12,532	(5,637)
YELLOWSTONE	Custer HS	0975	5,175	9,406	(4,231)
YELLOWSTONE	Shepherd Elem	0985	0	0	0
YELLOWSTONE	Shepherd HS	0986	0	0	0
			8,657,320	10,707,221	(2,049,901)

COUNTY	DISTRICT	TOTAL ANB	LOST	PERCENT	NET PROCEEDS TAX	PERCENT	COAL GROSS PROCEEDS	PERCENT	CURRENT FY93 GEN FUND BUDGET LESS 874	CHANGE IN MILLS TO RESTATED FY93	PERCENTAGE
BIG HORN	HARDIN ELEM	1135	$1,478.00		$0.00		$197,824.00	10.45%	$3,322,875.00	9.03	5.99%
BIG HORN	HARDIN HS	382	$3,753.00		$0.00		$604,243.00	31.91%	$2,141,945.00	8.59	28.39%
BIG HORN	SQUIRREL CREEK	9	$0.00		$0.00		$10,950.00	58.00%	$70,006.00	1.23	15.65%
BLAINE	CHINOOK ELEM	337	$145,000.00	2.17%	$0.00		$0.00		$1,196,218.00	17.43	12.13%
BLAINE	CHINOOK HS	196	$140,000.00	2.10%	$0.00		$0.00		$1,066,206.00	8.56	13.14%
CARBON	BELFRY ELEM	81	$120,497.00	1.81%	$13,000.00	3.59%	$0.00		$639,876.00	43.1	18.84%
CARBON	BELFRY HS	49	$67,437.00	1.10%	$300.00		$0.00		$655,200.00	21.37	10.30%
CARBON	BRIDGER ELEM	163	$34,067.00	0.50%	$2,700.00		$0.00		$597,802.00	17.59	5.71%
CARBON	BRIDGER HS	74	$35,845.00	0.50%	$1,500.00		$0.00		$548,002.00	14.37	6.51%
CUSTER	CUSTER CO HS	627	$11,823.00	0.18%	$0.00		$0.00		$2,643,062.00	-16.04	
DAWSON	DAWSON CO HS	516	$55,000.00	0.80%	$5,000.00		$0.00		$2,397,668.00	-17.5	2.30%
DAWSON	GLENDIVE ELEM	1179	$50,000.00	0.75%	$0.00		$0.00		$3,495,278.00	-3.44	1.44%
FALLON	BAKER ELEM	415	$460,536.00	6.89%	$2,000.00		$0.00		$1,760,944.00	18.42	26.16%
FALLON	BAKER HS	165	$561,877.00	8.71%	$17,000.00	4.69%	$0.00		$1,471,612.00	-2.44	38.55%
FALLON	PLEVNA ELEM	94	$189,768.00	2.84%	$0.00		$0.00		$625,151.00	0.21	30.36%
FALLON	PLEVNA HS	41	$126,803.00	1.90%	$0.00		$0.00		$512,415.00	4.31	24.75%
GLACIER	BROWNING ELEM	1445	$79,149.00	1.19%	$0.00		$0.00		$4,131,521.00	8.58	1.92%
GLACIER	BROWNING HS	340	$29,355.00	0.44%	$0.00		$0.00		$1,231,765.00	-0.6	2.38%
GLACIER	CUT BANK ELEM	733	$50,000.00	0.75%	$0.00		$0.00		$2,220,174.00	-2	2.26%
GLACIER	CUT BANK HS	265	$221,257.00	3.31%	$0.00		$0.00		$1,349,545.00	-14.29	16.40%
HILL	COTTONWOOD ELEM	39	$10,000.00	0.15%	$0.00		$0.00		$224,539.00	-9.42	4.46%
HILL	HAVRE ELEM	1840	$103,000.00	1.55%	$20,000.00		$0.00		$539,874.00	2.3	1.91%
HILL	HAVRE HS	769	$89,000.00	1.34%	$3,100.00		$3,000.00		$273,801.00	8.58	3.24%
LIBERTY	CHESTER ELEM	240	$24,000.00	0.36%	$0.00		$0.00		$772,388.00	14.5	3.11%
LIBERTY	CHESTER HS	98	$60,000.00	0.90%	$0.00		$0.00		$697,978.00	3.35	8.60%
MCCONE	CIRCLE ELEM	229	$19,600.00	0.30%	$0.00		$0.00		$789,423.00	11.59	2.49%
MCCONE	CIRCLE HS	138	$11,000.00	0.17%	$0.00		$0.00		$705,718.00	3.34	1.56%
MUSSELSHELL	MELSTONE ELEM	65	$42,644.00	0.65%	$24,000.00	6.62%	$0.00		$310,655.00	68.62	13.80%
MUSSELSHELL	MELSTONE HS	51	$36,414.00	0.58%	$23,000.00	6.34%	$0.00		$367,957.00	56.1	9.91%
MUSSELSHELL	MUSSELSHELL ELEM	20	$31,226.00	0.47%	$0.00		$0.00		$94,317.00	11.16	33.11%
MUSSELSHELL	ROUNDUP ELEM	474	$20,000.00	0.30%	$0.00		$0.00		$1,381,726.00	1.14	1.45%
MUSSELSHELL	ROUNDUP HS	195	$18,000.00	0.27%	$0.00		$0.00		$812,414.00	-2.81	2.22%
PETROLEUM	WINNETT ELEM	70	$12,962.00	0.20%	$564.00		$0.00		$356,851.00	18.67	3.64%
PETROLEUM	WINNETT HS	36	$14,617.00	0.22%	$636.00		$0.00		$362,030.00	27.46	4.04%
PHILLIPS	SACO ELEM	91	$121,581.00	1.82%	$7,550.00		$0.00		$531,826.00	20.11	22.86%
PHILLIPS	SACO HS	37	$167,848.00	2.52%	$8,000.00		$0.00		$537,638.00	28.59	31.22%
PHILLIPS	WHITEWATER ELEM	56	$87,215.00	1.31%	$22,777.00	6.28%	$0.00		$441,964.00	-1.73	19.74%
PHILLIPS	WHITEWATER HS	38	$58,792.00	0.88%	$17,978.00	4.96%	$0.00		$411,230.00	-8.53	14.30%
PONDERA	CONRAD ELEM	580	$70,293.00	1.06%	$20,000.00		$0.00		$1,871,713.00	-0.41	3.76%
PONDERA	CONRAD HS	227	$60,000.00	0.90%	$0.00		$0.00		$1,182,836.00	0.56	5.60%
POWDER RIVER	BELLE CREEK EL	12	$46,000.00	0.69%	$0.00		$0.00		$122,000.00	0	37.71%
POWDER RIVER	POWDER RIVER CO H	133	$158,526.00	2.38%	$0.00		$0.00		$1,060,524.00	8.66	14.95%
RICHLAND	FAIRVIEW ELEM	190	$169,475.00	2.54%	$13,000.00	3.59%	$0.00		$895,239.00	11.82	18.94%
RICHLAND	FAIRVIEW HS	156	$109,433.00	1.64%	$7,500.00		$0.00		$1,082,664.00	7.97	10.11%
RICHLAND	LAMBERT ELEM	83	$26,135.00	0.58%	$18,000.00	4.97%	$0.00		$536,837.00	25.55	7.11%
RICHLAND	LAMBERT HS	40	$36,291.00	0.55%	$588.00		$0.00		$476,962.00	26.52	7.71%
RICHLAND	RAU ELEM	67	$17,000.00	0.26%	$0.00		$0.00		$230,576.00	23.65	7.38%
RICHLAND	SAVAGE ELEM	131	$1,261.00		$0.00		$60,168.00	3.16%	$431,848.00	22.43	13.94%
RICHLAND	SAVAGE HS	34	$2,894.00		$10,000.00	2.76%	$44,882.00	2.37%	$384,587.00	27.3	11.68%
RICHLAND	SIDNEY ELEM	1110	$225,000.00	3.37%	$45,000.00	12.41%	$0.00		$3,746,254.00	11.18	6.01%
RICHLAND	SIDNEY HS	536	$315,326.00		$35,000.00	9.65%	$0.00		$2,276,276.00	-7.51	13.86%
ROOSEVELT	BAINVILLE ELEM	77	$67,564.00	1.02%	$0.00		$0.00		$528,802.00	3.78	12.78%
ROOSEVELT	BAINVILLE HS	31	$212,436.00	3.18%	$0.00		$0.00		$484,738.00	3.05	43.83%
ROOSEVELT	CULBERTSON ELEM	233	$18,600.00	0.28%	$0.00		$0.00		$817,912.00	-3.63	2.28%
ROOSEVELT	CULBERTSON HS	90	$18,000.00	0.27%	$0.00		$0.00		$569,990.00	0.7	3.61%

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4/5/93 HEARING INFO

COUNTY	DISTRICT	TOTAL ANB	LOST	PERCENT	NET PROCEEDS TAX	PERCENT	COAL GROSS PROCEEDS	PERCENT	CURRENT FY93 GEN FUND BUDGET LESS 874	CHANGE IN MILLS TO RESTATED FY93	PERCENTAGE
ROOSEVELT	FROID ELEM	78	$28,000.00	0.42%	$7,000.00		$0.00		$420,768.00	26.06	6.66%
ROOSEVELT	FROID HS	41	$19,000.00	0.28%	$6,500.00		$0.00		$366,864.00	18.02	5.19%
ROOSEVELT	FRONTIER ELEM	124	$44,381.00	0.67%	$0.00		$0.00		$558,515.00	35.48	7.95%
ROOSEVELT	POPLAR ELEM	844	$12,064.00	0.19%	$0.00		$0.00		$3,762,681.00	28.66	0.33%
ROOSEVELT	POPLAR HS	179	$157,131.00	2.36%	$3,449.00		$0.00		$2,328,122.00	-2.85	6.75%
ROOSEVELT	WOLF POINT ELEM	700	$12,854.00	0.20%	$0.00		$0.00		$1,966,831.00	12.77	0.66%
ROOSEVELT	WOLF POINT HS	310	$33,854.00	0.51%	$0.00		$0.00		$1,523,932.00	8.26	2.23%
ROSEBUD	COLSTRIP ELEM	918	$0.00		$0.00		$575,000.00	30.36%	$4,641,099.00	2.1	12.39%
ROSEBUD	COLSTRIP HS	450	$0.00		$0.00		$399,000.00	21.07%	$3,111,912.00	0.61	12.83%
ROSEBUD	FORSYTH HS	233	$79,000.00	1.19%	$0.00		$0.00		$953,603.00	8.47	82.90%
SHERIDAN	MEDICINE LAKE EL	184	$134,835.00	2.02%	$8,000.00		$0.00		$803,781.00	37.9	16.78%
SHERIDAN	MEDICINE LAKE HS	80	$126,853.00	1.90%	$8,000.00		$0.00		$626,235.00	6.95	20.20%
SHERIDAN	OUTLOOK ELEM	53	$54,406.00	0.82%	$0.00		$0.00		$374,371.00	23.87	14.54%
SHERIDAN	OUTLOOK HS	24	$37,667.00	0.57%	$0.00		$0.00		$325,883.00	9.85	11.56%
SHERIDAN	PLENTYWOOD ELEM	381	$44,726.00	0.67%	$9,348.00		$0.00		$1,158,040.00	-1.9	3.87%
SHERIDAN	PLENTYWOOD HS	182	$48,341.00	0.73%	$5,426.00		$0.00		$1,000,586.00	-4.15	4.84%
SHERIDAN	WESTBY ELEM	76	$80,763.00	1.21%	$0.00		$0.00		$628,305.00	-15.95	12.86%
SHERIDAN	WESTBY HS	35	$143,221.00	2.15%	$0.00		$0.00		$628,780.00	-14.22	22.78%
TETON	CHOTEAU HS	158	$17,924.00	0.27%	$408.00		$0.00		$972,223.00	-0.45	1.85%
TOOLE	SHELBY ELEM	526	$32,282.00	0.49%	$0.00		$0.00		$1,824,123.00	-4.85	1.77%
TOOLE	SHELBY HS	206	$55,414.00	0.83%	$0.00		$0.00		$1,257,256.00	4.06	4.41%
TOOLE	SUNBURST ELEM	228	$88,383.00	1.33%	$0.00		$0.00		$816,186.00	9.48	10.83%
TOOLE	SUNBURST HS	96	$117,553.00	1.76%	$0.00		$0.00		$790,758.00	16.24	14.87%
VALLEY	HINSDALE ELEM	88	$25,557.00	0.39%	$0.00		$0.00		$378,685.00	15.14	6.75%
VALLEY	HINSDALE HS	31	$42,931.00	0.65%	$0.00		$0.00		$433,862.00	10.8	9.90%
WIBAUX	WIBAUX ELEM	161	$121,321.00	1.82%	$500.00		$0.00		$860,293.00	14.02	14.11%
WIBAUX	WIBAUX HS	77	$82,000.00	1.23%	$500.00		$0.00		$659,863.00	13.49	12.44%
							$0.00				

3PM

DATE 4-5-93

SENATE COMMITTEE ON HB 6607

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One Support	Oppose
Ken Halverson	Opheim S.D.	667		
Dustin Hill	Scobey S.D.	667		
Ronald STEGMANN	Fairview #9	667		
Kelly Evans	S.W. MT Ed Coop	667		
Genie Jean	SAM + Florence-Carlton School	667		

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE FOR SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Sen. Chet Blaylock, Chair, on April 6, 1993, at 7:00 a.m.

ROLL CALL

Members Present:
Sen. Chet Blaylock, Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Eddye McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Subcommittee on House Bill 667

DISCUSSION:

Chair Blaylock said we would continue on HB 667, and asked Senator Stang if he was ready to report on the weighted average concept.

Weighted Average:

Senator Stang said the Guaranteed Tax Base (GTB) on the weighted average shows, if you look at the area below 80%, it totally equalizes. It is shown that it does benefit small schools, and it benefits the small schools on their retirement. (exhibit 1) He handed out sheets on the weighted GTB analysis. (exhibit 2) The purpose of this bill is to equalize education, and if the weighted GTB truly equalizes, there are always winners and losers in the equalization process, and the small schools felt they were the losers in the last process which hasn't truly equalized or we wouldn't be back on this today. He said he would stick with his

proposal to use the weighted GTB for the GTB and to give the high schools the 800 stop loss.

Senator Brown, referring to exhibit 1, asked if this indicates the 800 stop loss and was told no, that was on retirement. Senator Stang said this does save the state another $790,000.

Chair Blaylock said he believed the committee had decided yesterday we were not going to do retirement. Senator Stang said the only thing is, if we are going to use the weighted GTB in the general fund, he could not see why you wouldn't want to use it in the capital outlay and the retirement to be consistent. It would seem foolish to him to agree the weighted GTB equalizes in the general fund but not use it in the other areas. He believed it should be included in all areas where we use GTB.

Senator Waterman asked if we had a cost of living adjustment (COLA) run on what this does if you use the weighted ANB for retirement, capital outlay and general fund. Mr. Gillett, Legislative Auditor's office said no, they had not done that. The actual dollars there are small enough, and in each case, the difference in cost is not terribly large and usually the weighted GTB is a little on the less expensive side, but there are many different factors that enter into this.

Senator Waterman said you are talking about over all, and she was asking about district by district. She wanted to know the impact district by district. Mr. Gillett said he had not done it district by district in capital outlay. He said the pattern is consistent, that small schools benefit from weighted GTB.

Senator Stang said the fiscal note on his bill that was drafted the same as Senator Blaylock's bill was $800,000 less. Senator Waterman said she knew in aggregate it was cheaper. Senator Stang said it would be hard to do on a district by district level because we don't know which districts are going to levy in the future, and it would depend on which districts levy. They just used an average when they did the fiscal note on that.

Senator Brown said we made a decision last evening not to get into the retirement area or the transportation area. He said he needed to know whether we can proceed in this new concept for school financing and apply the weighted GTB to it and not do it in the area of retirement and transportation. He said it seemed to him it would be possible, but he was not sure it would be consistent.

Andy Merrill, Legislative Council, said Senator Stang had this run done so you would use the same GTB sections in the code and the same procedures and same calculations for retirement as you would for this new way of doing the general fund GTB. It would probably be much appreciated by OPI and all the school people, if you were to choose this and have the same concept going for retirement as the general fund and you wouldn't have to double up

on all the sections in the code. You would have two different sets of GTB type sections going if you didn't do it the same. It really does not have as much to do with the issue you rejected about rolling retirement into the equalization formula. It would be a type of equalization to match what you were doing in the general fund, but not as large a concept as trying to analyze and fully equalize retirement, which you did reject yesterday. It would just be keeping consistency in the way we think about GTB.

Senator Toews asked how we arrive at the weighted number. He said he believed he understood what it does, but asked how we get there. Don Waldron, Montana Rural Education Association (MREA) said probably the way to look at it is that we are taking a relationship of the ANB to the tax evaluation of a district and putting that against the state in the same terms and coming up with a ratio. He said that is really the way it works out in the long run. When you use that ratio, you are looking at the ability to pay and the number of students.

Senator Brown asked if classroom unit is a factor in the calculation and Mr. Waldron said no, it is not.

Senator Waterman said she was not sure she was ready to roll in the weighted ANB at this point, she was still a little concerned about the over all impact as you do it in all three areas as to what it does to schools. Her sense is that it is more of a taxpayer equity than it is a school equalization issue and she was not sure the courts would guarantee a tax equity. While she was not certain she was ready to do them, she believed it was important to do all three the same and not have two different kinds of guaranteed tax base. If we are going to do this, let's keep it as simple as we can.

Senator Stang said that was his intent. If you want to just put this in the general fund you do not have the impact you have if you use all three, but you don't have consistency. Without consistency, it gives them another reason to go back and say "why didn't you use this in retirement, why didn't you use this in capital outlay?". He believed if the concept is a good concept and a viable concept, it should eventually used in all the areas of the GTB. If it is not a good concept, it should not be used in any of them. It does come down to a large versus small issue and it is the issue that put the sponsor of HB 28, Representative Schye, off of his bill because he believed HB 28 moved in the other direction. He said Representative Schye was the sponsor of HB 28 and fought vehemently to try to kill that bill after it was amended because it did not do what he wanted it to do. It didn't equalize, it penalized.

Senator Brown said he was not sure, based on this information, where we go from here. We need to understand how the weighted concept works with the stop loss that goes down from 1,000 to 800. We need to understand those two things in combination before we can vote on this concept.

Senator Stang said retirement does not have anything to do with the stop loss. He said we had a sheet (exhibit 2) which shows the weighted average with the stop loss.

Mr. Gillett explained (exhibit 2) the spread sheet and said in several different ways it provides information on the effects of using the weighted GTB system. The first set of 3 columns takes the current HB 667 scenario with the current GTB system and converts it to weighted GTB and shows you in the third column the difference in mills by district that makes.

Senator Brown said in reading this, then Beaverhead County High School is now 20.24 and with the weighted GTB the millage would go up or down. Mr. Gillett said it would go up by 0.88 mills. Senator Brown said, then the difference is about a mill increase. Mr. Gillett pointed to Lima Elementary and showed how the millage goes down.

Mr. Gillett said the second set of three columns, show the pure effects of GTB, assumes the general fund balance be reappropriated and non levy revenue was used. It assumed for the piece of the budget that is funded by GTB. If you look down the lists, you will notice in the weighted GTB column which is the 2nd one in the 2nd set of 3, in the elementaries, the highest mill levy you will see there is 52.75 and in the high schools the highest you will see is 29.76. What happens under the weighted GTB system, is that when you get to the guaranteed level, every district, regardless of size, would have exactly the same mill levy across that portion of the budget that is funded with GTB. Under the current system, you will notice that situation does not exist.

Mr. Gillett said the third set of three columns have HB 667 with Representative Kadas non-levy revenue in under both current and weighted GTB systems. The last three are probably the ones that are germane to Senator Stang's motion, and those deal in the first column of the current GTB and 1,000 stop loss and what the mill levies would be to get across the 40% portion of the budget that is funded with guaranteed mills. The second column has weighted GTB and an 800 stop loss, so it is the combined mill effect of those two.

Tom Biladeau said he would like to address the question of retirements and weighting of GTB as well as some notions on the stop gaps. He said there are a number of different objectives we seek to meet as we do school finance reform and equity is one. Equity in terms of spending disparities and in terms of taxpayer efforts which are two aspects of equity issues in finance. There is also the question of sufficiency, whether or not there are adequate dollars available to fund the system of schools we want for everybody in the state as well as an issue of simplicity and continuity. Whether or not we can understand how the system works and whether or not it works over a period of time. We have to keep all four of those objectives in mind as you do school

finance.

Chair Blaylock said that is a good point, but if we are going to roll all this in for continuity, there has to be an increased cost and probably a substantial one.

Mr. Biladeau said he would like to talk about the notion of weighting retirement to the GTB. MEA believes, and he believed that was in accord with most of the educational community, that the House wisely excluded retirement from HB 667 for a number of different reasons. First we believe we do not have the money to do a fully adequate job of equalizing all those items. Secondly, HB 28 provided GTB support for retirement system based on state wide average GTB value. That has not yet been tested in court and is the fundamental reason why many argue that this system is not the system found unconstitutional by the Court in February of '89 and indeed we may have a system that passes muster when you analyze it in respect to school system funding over all. He asked the committee to turn their attention to the little spread sheet. (exhibit 3) It addresses the issue of equity, not equity plus sufficiency, continuity and simplicity, but just equity. It does so both in respect to spending and taxpayer effort; it equalizes to the middle. He said the top tables represent the disparity ratios in spending in the current method we have, if you take out special ed and 874, based on fiscal '93 budgets. When you compare those disparity ratios comparing the 5th to the 95th and assume all districts would spend, at the minimum, you have current spending disparities running from over 124% down to a disparity of about 35%. The Courts, to the degree to which they identified a target for us, identified a 25% disparity level as being acceptable. Nothing in here comes as close to that. If you look at the middle table, that is HB 667 implemented next year in terms of disparity levels within these size groupings. The disparity ratios have significantly improved, they dropped in the smallest elementary category from 2.24 down to 1.82. We have improved that disparity ratio significantly, however it still does not meet what is commonly understood to be a disparity test in terms of spending. We have not met equity tests. On the bottom you can see the continued improvement that may be possible if you phase in some sort of GTB over time, something that was dismissed rather quickly by the committee yesterday but MEA believes is absolutely necessary if we are going to put a system into place that equalizes it's spending over a period of time.

Mr. Biladeau said in respect to retirement, if you look at these disparity ratios presently, just in respect to the size groupings of districts and the general fund you will notice the largest districts are the ones that most closely approximate those tests of disparity. The disparity between the 5th and 95th is the narrowest among those districts. If you actually look at millage effort, the taxpayer effort as well, those largest districts tend to have not only the highest mill efforts in respect to supporting the general fund as well as their other funds, but they also have the least disparity among their millage efforts.

As you begin to look at that and discuss weighting you can do that with the agreement made on an 800 stop loss, they see it as appropriate. The data they supplied to the House Select Committee indicated you are pushing those largest districts up against their 100% cap to a greater degree than you are the smaller size category districts. If you tie an 800 stop loss with the high schools to a weighted GTB, you are essentially trading approximately 7 additional mills to the high schools and the elementary combined largest districts for about 1-2% additional potential growth for those largest districts. You give them a bit more room to move and you allow them the capacity to grow to the same degree you do smaller districts. They think that is an exceptional trade. As you move beyond the general fund an argument can be made that it would be nice and consistent to apply the same GTB calculation basis for retirement, capital and you could get imaginative and apply it to transportation. The fact is that some of those costs are not ANB driven. Retirement is not an ANB driven cost, it is a payroll driven cost. Similarly, transportation is not an ANB driven cost, as capital is not exclusively an ANB driven cost. He said they would argue in accord with the bill as it came over from the House, and given the restraints of budget etc. we have in front of us, should keep this bill narrowly focused on the general fund. (He said the MEA has not taken a position on GTB for the general fund) He said we need to do something with capital which needs to be taken care of, but we do not need to expand 667 into the retirement area and would argue against it. It does not make good sense to take a non ANB driven cost and somehow weight it to an ANB and then roll it into this bill in the same process.

Senator Stang asked if we don't use the weighted GTB for capital outlay and retirement, how difficult and what kind of form are we going to come up with. Are we going to end up with a 42 page form we will have to fill out, or is it feasible to do this without making it too complicated if we make it a weighted GTB in the general fund and not use it outside the general fund.

Jan Thomson said neither formula will result in more paper work for the district. It will result in more paper work going out of our office because if you use the same weighted GTB you will have one GTB level for the general fund because it is guaranteed at 200% or 195% of the state average and you will have another GTB for capital outlay if it is on the weighted formula which she assumed would not be at the 200%. If you leave retirement the way it is, you will have a third GTB that is on a whole different concept than the general fund and capital outlay. That means we would be certifying three different valuations to school districts in the spring and trying to enable them to identify which GTB is used for which purpose. What the committee needs to do is to make a determination of which GTB formula they believe truly achieves what GTB is divined to do, which is to equalize the ability to raise revenue in a school district. Whether that is on per student basis or some ratio of foundation program to taxable value, that is policy decision by you. We would prefer,

and she believed school districts would prefer, one concept applied to all three mechanisms.

Senator Stang asked why would there be three different concepts if we are using the same concept for capital outlay and retirement and only the weighted GTB in the general fund. Ms. Thomson said if you are using the same concept for capital outlay and retirement, then you would only have two. As she had heard the committee say, you would have the weighted GTB for the general fund, which is at 200% then if you leave retirement as it is, you will have that GTB method on the current system and you would tie capital outlay to either of the others you will have two systems. If you tie it to the weighted average and you don't guarantee it at the level that is in the general fund, you will have a third valuation for capital outlay.

Motion: Senator Stang moved we do the weighted average GTB for all three funds and the 800 stop loss.

Discussion: Senator Stang said Mr. Biladeau's arguments about the per pupil part are really nice, he did say that the MEA has not taken a position on weighted average and they have. The MEA lobbied heavily against the weighted average when it was on the Senate floor. The MEA has taken a position and it is a position that many of the school teachers in the smaller districts did not appreciate when they found out about it. It appeared the MEA had decided which side to pick in this fight. He appreciated the information given, but would have a difficult time letting it sink in because of the position they took earlier in the session on the weighted average. He believed it was a good concept and did equalize as shown in the middle part of the graph.

Senator Waterman said the change in stop loss is needed and did not believe the formula as it now stands is fair to the larger schools. This bill should be kept as simple as possible and use the same guaranteed tax base for all three funds. She said she was not really comfortable with the weighted formula and the bottom line needs to be what this does for kids, and she was not sure in the long run the weighted tax base is in the best interest of kids regardless of whether it is a big district or a small district.

Senator Hertel said he would like to have someone explain a little more about the stop loss. Mr. Gillett said the basic concept of the stop loss, which deals only with high schools, you start with $4900 per student for the first student in budget authority, for the second you get $.50 less, the third you get $.50 less than the second and that is how the model works. As it exists right now, down to the 1,000 student you keep reducing by $.50 each student, so for that 1,000 student you would get $4900 minus $500 and for every student after that you would get the same amount you did for the 1,000th student. If you switch to 800, you simply reduce to the 800 level which would be $400 off the $4900 and every student after that would get the same amount

as the 800th student.

Senator Waterman said that is $100 per student difference from 800 and up. Mr. Gillett said that would provide an additional maximum budget authority at the 100% line which would also drive an increase at the 80% line in the model for any school with an ANB or more pupils.

Senator Waterman said it is by district, so when you get to a district like Missoula or Billings where they have three high schools, you are talking about a significant difference. She was told Billings has about 4750 students, and pointed out you are taking about a big difference here.

Mr. Gillett said the other issue is that same effect would happen for any elementary district with more than 800 junior high students because they are also funded at that 4900 amount.

Senator Waterman said she would like to see this last for more than a few years, and as more and more schools hit that 800 mark, if we don't fix this now we will be back to fix it then.

Senator Brown said before we vote on this motion he would like to understand how we can make this more simple. We have heard from Tom Biladeau that we want to focus just on the general fund and that is the way to keep it simple, and that was what he thought was decided last evening. Now we are hearing that for consistency sake we need to simplify things by applying the same concept to all three funds, even though they may have no relationship to ANB.

Representative Kadas said he tended to agree with Senator Waterman that you just need to go either-or. In the case of whether you are basing it on ANB or not and whether you apply that to retirement, the current GTB is based on ANB and we are applying that to retirement. He believed it was as fair as we have been able to get it and thought it was fair with respect to capital too. He said you need to be consistent, either use the weighted GTB for all three cases, or you do not, for all three cases.

Chair Blaylock said he had kept out of the debate but would be consistent. He did not like the idea of the weighted GTB.

Vote: Senator Stang's motion that we do the weighted average GTB for all three funds and the 800 stop loss CARRIED, Senator Blaylock voting no, Senator Van Valkenburg absent.

Special Education

Chair Blaylock said he had asked Mr. Gillett and Ms. Nielson to work on language for this issue.

Ms. Nielson said the language would be very complex but she had

the issues and depending on the decisions the committee makes, she will get together some language for these people to work on. She said she had looked at the statutes and some of them would have to be changed. She presented the committee with a sheet listing the problem and three options. (exhibit 4)

Ms. Nielson read the problem and said by pooling data with Mr. Gillett they had come up with three different kinds of options and read them to the committee. She said while option 1 would be great, it was fantasy and said the recommendation she would have for the committee, and this was not necessarily Mr. Gillett's recommendation, was option 2. She would prefer you add money to this bill, but option 2 allows districts to continue to access GTB aid as they have been doing in order to provide the whole contribution for special education. It does it within the context of the bill you have now. She said she did not recommend option 3 at this time, although, if this concept passes and this concept of 40-40-20 is implemented, then in the next session you may come back and determine you want to structure the special education one to match. At this time, she believed the special education programs are fragile enough, and people are taking too large leap right now to look at redistributing the funds in a different fashion. One of the things that concerned people working on the special education commission, was a desperate need for a phase-in from where they are now to where they may be with the considerations of what GTB might do, might look like and how it might inter-play with the rest of the kinds of funding. She believed it might be wise for two reasons, 1) for programmatic reasons, to retain similar structure and allow us to redistribute and see if it works for one year. 2) the option to change the special education, or the concerns in Senator Halligan's bill, does not go into effect until the second year. You would have some real steps to take to do what should be done in the first year and then what to do in the second year. She said if the committee goes to option 2, it would work with what we have now and by the second year would just flow into it.

Bob Runkel, Director of Special Ed, OPI, said the committee should keep in mind that what Ms. Nielson was saying about the differential impact on low income districts having, perhaps, a higher proportion of special education needs, is an important concept. The second concept he wished to bring across was that whichever option is selected, we must keep in mind that when it comes time for decisions in local districts to generate additional money to cover the special ed costs, it is not always a real popular thing. One of the things he felt was needed, was to help insulate some of our special education students from that appearance of a direct conflict and competition with general education funds. Some of those kids are not real popular, they are very high cost kids and some of them are emotionally disturbed. As a result, the old system we had as well as the work of the commission, helped to create that insulation. It helped to create a uniformity of commitment across districts to provide a local support for special education and whatever option

you choose, he believed that level of protection needs to continue.

Chair Blaylock said Ms. Nielson recommended option 2 which would be $5 million GTB money into that. He asked if that option would do the least amount of harm to the special ed kids. Mr. Runkel said from what he understood, he believed that would be the most viable alternative right now. While option 1 appealed to him, mixing reality with the needs of the kids, he felt option 2 was a workable option.

Senator Waterman asked if she was correct that we had just saved some money by our last action, about $800,000 in retirement. She was told it also cost some money because of the stop loss.

Senator Stang said in the general fund the stop loss and the weighted GTB were almost a wash. It was somewhere between $100,000 and $200,000 and he did not remember which way it went, as to whether it was saved or lost. The only difference would be the retirement and what we do in the capital outlay. He was not sure, but seemed to recall it was about $800,000 over SB 32 under the same method as that bill.

Senator Waterman said if we choose option 2, we probably do not have to go as low as 179% because there is probably about $1.5 million there.

Senator Blaylock said unless the amendments the House put on SB 32 are changed, it is not $600,000 anymore, it is $2 million plus for the biennium.

Senator Stang said we have to do something with Special Education, and in looking at the three options, we go to option 2 first because it costs less money. Option 3 looks nice because it doesn't cost the state much money but it will cost the local taxpayers more money. His concern is the same as expressed by Mr. Runkel and Ms. Nielson, which is the fact that those kids are not too popular at home. We have some special ed kids in St. Regis and for whatever the reason, those kids are not popular at home, not because they are not nice kids but because they are costing the local taxpayers more money. He said he had always been an advocate that the special ed costs of this state should be borne by the state government and not by the local taxpayers. It just happens that those kids have moved to that district for whatever reason, and in Great Falls a lot of them move there because of the special ed program. In light of the fact that we probably can't afford option # 1, he would probably support option # 2, knowing we have to do something and can not just leave it hang.

Motion: Senator Stang moved we put option # 2 (exhibit 4) in HB 667

Discussion: Senator Waterman asked if it is fair to assume you

are going to coordinate this to SB 348, but assumed this would be done.

Addition to Motion: Senator Stang said it would be a part of the motion to coordinate this with SB 348.

Discussion: Senator Stang said he believed that was the idea with option 2. Ms. Nielson said that was correct.

Senator Waterman asked if there is something we have to do to increase the base in this, or is that just a given. Ms. Nielson said the special education dollars Senator Waterman is referring to is in HB 2.

Larry Fasbender, representing the Great Falls schools, said he was still thinking about the last action and what it did. Representative Kadas said he really thought option 3 was a little better for two reasons. 1) It matches the existing structure you are adopting and from that perspective it would be simpler to administer and to articulate. 2) In option # 3 the total amount of state dollars is about equal to what we are currently putting into special ed. Option 3 does leverage some additional local dollars through the GTB, and he believed that was fine. Option 2 leverages local dollars through the GTB, as well, but if you choose option 2 and you are dealing in a zero-some game, which he believed was being done in terms of the total dollars that are available here, you will have to take state dollars from everyone else and put them into special ed. Maybe that is an acceptable choice, but he was inclined, for simplicity reasons, to stick with option 3.

Mr. Gillett said he and Ms. Nielson worked on this last night. She is the brains, he said he was the computer jockey.

Chair Blaylock said between option 2 and option 3, how much are we going to raise taxes at the local level. Mr. Gillett said he believed the total number of dollars, state and local, are the same between the two, it is just that on the one you average the state dollars across the entire population of regular and special ed and in the other you hold special ed within itself at it's current funding. Ms. Nielson said currently we provide probably over $3 million GTB. She pointed to the $3 million that got moved over and is used in general ed right now, and in option 2 we are putting it back in special ed again; we are tapping into some of that money they had before. If you were to choose option 3, she would agree that it might match better and it might be easier to administer, but the other part is that you would have to do two of them because you will have to do something next year before you move to this for the second year. Senator Halligan's bill does not take effect until the second year of the biennium.

Senator Waterman asked what happens if you put Senator Halligan's bill into effect immediately and Ms. Nielson said she did not believe school districts are ready for that change in the funding

system. It is a very different funding distribution for special education and she believed you would find they would rather have you do nothing than do that because they are not ready for it.

Vote: Senator Stang's motion to adopt option 2 and coordinate it with SB 348 CARRIED with Senator Toews voting no, Senator Van Valkenburg absent.

Members from Finance and Claims and another committee had to go to their committees for executive action. Senator Stang said he had a series of questions from OPI on what happens to protested tax dollars.

Chair Blaylock said the committee should come back to finish HB 667 at 3 P.M. or on adjournment of the Senate.

(exhibit 5) was passed around for members to view.

ADJOURNMENT

Adjournment: 8:15 a.m.

CHET BLAYLOCK, Chair

SYLVIA KINSEY, Secretary

CB/sk

ROLL CALL

7AM

SENATE COMMITTEE Subcommittee on HB 667 DATE 4/6/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Blaylock	✓		
Senator Brown	✓		
Senator Waterman	✓		
Senator Hertel	✓		
Senator Van Valkenburg	✓		
Senator Stang	✓		
Senator Toews	✓		

FC8

Attach to each day's minutes

ROLL CALL VOTE

Vote # 1

SENATE COMMITTEE SUBCOMMITTEE ON HB 667 BILL NO. HB 667

DATE 4/2/93 TIME 7 ~~a~~ 7:47 (A.M.) P.M.

NAME	YES	NO
Senator Van Valkenburg	abs	
Senator Brown	✓	
Senator Waterman	✓	
Senator Hertel	✓	
Senator Stang	✓	
Senator Toews	✓	
Senator Blaylock		✓

Sylvia Kinsey
SECRETARY

Chet Blaylock
CHAIR

MOTION: Stang's SL-4 & 6 + B as M

Motion for Weighted 6 + B on all Three + 800 Bypass

EAS

Exhibit 4-6-93 7AM

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB SYSTEM ON RETIREMENT
SORT SEQUENCE: BY COUNTY & LEVEL
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

STNG97.WK1
05-Apr-93
11:38 PM

RESTATEMENT OF FY 93 RETIREMENT FUNDS

CO NUM	COUNTY	LEVEL	TOTAL ANB	CURRENT GUARANTEE PERCENT (121%) CHANGE IN MILLS TO WTD GTB	CHANGE IN SUBSIDY TO WTD GTB
01	BEAVERHEAD	1	1276	-0.50	$7,686
01	BEAVERHEAD	2	495	-0.29	$4,900
02	BIG HORN	1	1655	-0.06	$1,639
02	BIG HORN	2	577	-0.18	$4,931
03	BLAINE	1	1078	-0.40	$5,462
03	BLAINE	2	443	-1.12	$15,752
04	BROADWATER	1	515	0.00	$0
04	BROADWATER	2	192	0.00	$0
05	CARBON	1	1110	-1.89	$30,868
05	CARBON	2	531	-2.11	$36,831
06	CARTER	1	154	0.00	$0
06	CARTER	2	50	0.00	$0
07	CASCADE	1	10154	1.63	($149,072)
07	CASCADE	2	3779	1.40	($126,609)
08	CHOTEAU	1	788	0.00	$0
08	CHOTEAU	2	357	0.00	$0
09	CUSTER	1	1491	-0.40	$5,796
09	CUSTER	2	627	0.59	($8,386)
10	DANIELS	1	318	0.00	$0
10	DANIELS	2	158	-9.25	$60,522
11	DAWSON	1	1314	-0.37	$6,894
11	DAWSON	2	563	-0.06	$1,106
12	DEER LODGE	1	1096	-0.14	$1,171
12	DEER LODGE	2	539	0.61	($5,222)
13	FALLON	1	519	0.00	$0
13	FALLON	2	206	-2.61	$25,564
14	FERGUS	1	1666	-1.37	$30,686
14	FERGUS	2	641	-2.21	$48,408
15	FLATHEAD	1	8662	-0.18	$18,751
15	FLATHEAD	2	3556	1.10	($112,242)
16	GALLATIN	1	5863	0.15	($11,402)
16	GALLATIN	2	2119	0.40	($31,297)
17	GARFIELD	1	228	-0.60	$2,911
17	GARFIELD	2	93	0.00	$0
18	GLACIER	1	2259	0.04	($853)
18	GLACIER	2	605	0.00	$0
19	GOLDEN VALLEY	1	104	0.00	$0
19	GOLDEN VALLEY	2	49	-1.25	$5,959
20	GRANITE	1	353	0.00	$0
20	GRANITE	2	174	0.00	$0
21	HILL	1	2603	-0.07	$2,142
21	HILL	2	987	-0.58	$17,395
22	JEFFERSON	1	1232	0.00	$0
22	JEFFERSON	2	410	0.00	$0
23	JUDITH BASIN	1	326	0.00	$0
23	JUDITH BASIN	2	137	-2.47	$21,419
24	LAKE	1	3078	-0.31	$9,073
24	LAKE	2	1232	-0.39	$12,120
25	LEWIS & CLARK	1	6734	1.08	($74,140)
25	LEWIS & CLARK	2	2505	1.61	($106,045)
26	LIBERTY	1	374	0.00	$0
26	LIBERTY	2	140	0.00	$0
27	LINCOLN	1	2647	-0.07	$2,126
27	LINCOLN	2	1118	0.21	($6,364)
28	MADISON	1	695	0.00	$0
28	MADISON	2	333	-0.60	$11,295
29	MCCONE	1	265	0.00	$0
29	MCCONE	2	138	0.00	$0
30	MEAGHER	1	200	0.00	$0

EX 1
4-6-93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB SYSTEM ON RETIREMENT
SORT SEQUENCE: BY COUNTY & LEVEL
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

STNG97.WK1
05-Apr-93
11:38 PM

RESTATEMENT OF FY 93 RETIREMENT FUNDS

CO NUM	COUNTY	LEVEL	TOTAL ANB	CURRENT GUARANTEE PERCENT (121%) CHANGE IN MILLS TO WTD GTB	CHANGE IN SUBSIDY TO WTD GTB
30	MEAGHER	2	103	0.00	$0
31	MINERAL	1	621	-0.69	$6,478
31	MINERAL	2	245	-1.38	$12,808
32	MISSOULA	1	9727	0.72	($86,018)
32	MISSOULA	2	3626	2.04	($239,706)
33	MUSSELSHELL	1	559	-0.79	$5,353
33	MUSSELSHELL	2	246	-0.78	$5,215
34	PARK	1	1528	-0.70	$17,308
34	PARK	2	630	-0.63	$14,999
35	PETROLEUM	1	70	0.00	$0
35	PETROLEUM	2	38	-15.84	$28,715
36	PHILLIPS	1	714	0.00	$0
36	PHILLIPS	2	347	-0.01	$178
37	PONDERA	1	1055	-1.13	$17,014
37	PONDERA	2	395	-2.25	$33,479
38	POWDER RIVER	1	253	0.00	$0
38	POWDER RIVER	2	133	-0.80	$5,119
39	POWELL	1	782	-0.44	$5,767
39	POWELL	2	298	-0.02	$241
40	PRAIRIE	1	163	0.00	$0
40	PRAIRIE	2	90	-2.05	$7,780
41	RAVALLI	1	3582	-0.24	$8,101
41	RAVALLI	2	1507	-0.33	$11,043
42	RICHLAND	1	1601	-0.48	$10,141
42	RICHLAND	2	768	-0.60	$13,423
43	ROOSEVELT	1	1946	-0.44	$11,234
43	ROOSEVELT	2	698	-1.81	$44,978
44	ROSEBUD	1	1888	0.00	$0
44	ROSEBUD	2	711	0.00	$0
45	SANDERS	1	1203	0.00	$0
45	SANDERS	2	540	-1.04	$25,169
46	SHERIDAN	1	670	-1.11	$13,356
46	SHERIDAN	2	301	-2.71	$33,863
47	SILVER BOW	1	3858	1.39	($66,164)
47	SILVER BOW	2	1458	2.02	($92,470)
48	STILLWATER	1	1022	0.00	$0
48	STILLWATER	2	441	-2.51	$51,368
49	SWEET GRASS	1	385	0.00	$0
49	SWEET GRASS	2	199	-0.87	$7,298
50	TETON	1	897	-1.78	$27,593
50	TETON	2	391	-2.71	$43,494
51	TOOLE	1	770	0.00	$0
51	TOOLE	2	302	0.00	$0
52	TREASURE	1	130	0.00	$0
52	TREASURE	2	50	0.00	$0
53	VALLEY	1	1179	0.00	$0
53	VALLEY	2	465	-0.92	$22,929
54	WHEATLAND	1	313	0.00	$0
54	WHEATLAND	2	139	-1.08	$8,676
55	WIBAUX	1	161	0.00	$0
55	WIBAUX	2	77	-0.18	$777
56	YELLOWSTONE	1	14676	1.31	($244,734)
56	YELLOWSTONE	2	5662	1.63	($315,335)
TOTALS					($790,752)

ed 2 – 4-6-93
HB669

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

STAN96.WK1
04/04/93
07:14 PM

					FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO			KADAS NON LEVY AMENDMENT			COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM		
											1000 STOP LOSS	800 STOP LOSS	
		HB667 MILLS	HB667 MILLS		HB667 MILLS	HB667 MILLS		HB667 MILLS	HB667 MILLS		HB667 MILLS	HB667 MILLS	
		TO MAND. BUDG.	TO MAND. BUDG.		TO MAND. BUDG.	TO MAND. BUDG.		TO MAND. BUDG.	TO MAND. BUDG.		TO MAND. BUDG.	TO MAND. BUDG.	
COUNTY	DISTRICT	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE
BEAVERHEAD	BEAVERHEAD CO HS	20.24	21.12	0.88	26.11	27.25	1.14	17.99	18.68	0.69	20.24	21.12	0.88
BEAVERHEAD	DILLON ELEM	37.35	37.34	-0.01	48.65	48.64	-0.01	32.40	32.23	-0.17	37.35	37.34	-0.01
BEAVERHEAD	GRANT ELEM	25.63	25.63	0.00	34.98	34.98	0.00	26.51	26.51	0.00	25.63	25.63	0.00
BEAVERHEAD	JACKSON ELEM	33.91	30.53	-3.37	50.16	45.17	-4.99	30.30	27.14	-3.16	33.91	30.53	-3.37
BEAVERHEAD	LIMA ELEM	32.45	25.64	-6.81	66.76	52.75	-14.01	27.10	21.31	-5.80	32.45	25.64	-6.81
BEAVERHEAD	LIMA H S	34.69	18.36	-16.33	49.25	26.07	-23.18	29.02	15.28	-13.74	34.69	18.36	-16.33
BEAVERHEAD	POLARIS ELEM	30.69	28.43	-2.26	35.24	32.64	-2.60	32.02	24.64	-7.38	30.69	28.43	-2.26
BEAVERHEAD	REICHLE ELEM	18.92	16.16	-2.76	61.75	52.75	-9.00	16.93	14.39	-2.54	18.92	16.16	-2.76
BEAVERHEAD	WISDOM ELEM	22.72	22.15	-0.57	53.96	52.61	-1.35	19.08	18.51	-0.57	22.72	22.15	-0.57
BEAVERHEAD	WISE RIVER ELEM	29.55	26.78	-2.76	48.20	43.69	-4.51	26.22	23.64	-2.57	29.55	26.78	-2.76
BIG HORN	COMMUNITY ELEM	14.56	14.56	0.00	30.63	30.63	0.00	14.77	14.77	0.00	14.56	14.56	0.00
BIG HORN	HARDIN ELEM	45.51	46.09	0.58	50.08	50.72	0.64	38.02	38.31	0.29	45.51	46.09	0.58
BIG HORN	HARDIN H S	8.59	8.79	0.20	29.09	29.76	0.67	7.25	7.38	0.13	8.59	8.79	0.20
BIG HORN	LODGE GRASS ELEM	0.00	0.00	0.00	54.62	52.75	-1.87	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	LODGE GRASS H S	0.00	0.00	0.00	33.68	29.76	-3.93	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	PLENTY COUPS HS	47.67	26.92	-20.75	50.39	28.46	-21.94	39.80	22.36	-17.44	47.67	26.92	-20.75
BIG HORN	PRYOR ELEM	74.72	52.29	-22.43	75.38	52.75	-22.63	62.43	43.46	-18.97	74.72	52.29	-22.43
BIG HORN	SQUIRREL CRK ELEM	0.00	0.00	0.00	2.05	2.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BIG HORN	WYOLA ELEM	69.45	51.17	-18.28	71.60	52.75	-18.85	58.11	42.60	-15.52	69.45	51.17	-18.28
BLAINE	BEAR PAW ELEM	13.48	13.48	0.00	34.01	34.01	0.00	13.84	13.84	0.00	13.48	13.48	0.00
BLAINE	CHINOOK ELEM	8.18	7.71	-0.47	55.98	52.75	-3.23	23.80	22.32	-1.49	8.18	7.71	-0.47
BLAINE	CHINOOK H S	0.00	0.00	0.00	32.00	29.76	-2.24	11.10	10.27	-0.83	0.00	0.00	0.00
BLAINE	CLEVELAND ELEM	12.92	12.92	0.00	17.06	17.06	0.00	14.31	14.31	0.00	12.92	12.92	0.00
BLAINE	HARLEM ELEM	40.86	40.14	-0.71	46.56	45.75	-0.81	34.39	33.62	-0.78	40.86	40.14	-0.71
BLAINE	HARLEM H S	15.71	13.62	-2.08	28.46	24.69	-3.77	13.86	11.96	-1.90	15.71	13.62	-2.08
BLAINE	HAYS-LODGE POLE ELEM	48.46	47.27	-1.18	54.07	52.75	-1.32	40.46	39.27	-1.19	48.46	47.27	-1.18
BLAINE	HAYS-LODGE POLE H S	30.56	21.74	-8.82	33.57	23.88	-9.68	25.52	18.06	-7.45	30.56	21.74	-8.82
BLAINE	LLOYD ELEM	0.00	0.00	0.00	20.44	20.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BLAINE	N HARLEM COLONY ELEM	46.83	33.56	-13.27	53.71	38.50	-15.22	39.30	28.02	-11.28	46.83	33.56	-13.27
BLAINE	TURNER ELEM	49.05	38.49	-10.55	67.21	52.75	-14.46	41.40	32.32	-9.07	49.05	38.49	-10.55
BLAINE	TURNER H S	42.55	20.81	-21.74	60.84	29.76	-31.08	35.72	17.38	-18.34	42.55	20.81	-21.74
BLAINE	ZURICH ELEM	15.92	15.92	0.00	46.98	46.98	0.00	20.62	20.73	0.11	15.92	15.92	0.00
BROADWATER	BROADWATER CO HS	16.76	15.50	-1.26	25.54	23.62	-1.92	14.56	13.40	-1.17	16.76	15.50	-1.26
BROADWATER	TOWNSEND ELEM	30.04	29.03	-1.01	39.42	38.09	-1.33	25.09	24.11	-0.97	30.04	29.03	-1.01
CARBON	BELFRY ELEM	0.00	0.00	0.00	64.13	52.75	-11.38	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	BELFRY H S	0.00	0.00	0.00	48.97	29.76	-19.22	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	BOYD ELEM	21.04	15.56	-5.48	45.31	33.51	-11.80	19.38	14.26	-5.12	21.04	15.56	-5.48
CARBON	BRIDGER ELEM	24.83	22.04	-2.79	59.42	52.75	-6.67	30.10	26.59	-3.52	24.83	22.04	-2.79
CARBON	BRIDGER H S	13.73	9.87	-3.86	41.41	29.76	-11.65	20.94	14.97	-5.97	13.73	9.87	-3.86
CARBON	EDGAR ELEM	0.00	0.00	0.00	42.33	42.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CARBON	FROMBERG ELEM	45.16	37.06	-8.10	64.28	52.75	-11.53	38.92	31.78	-7.14	45.16	37.06	-8.10

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. CURRENT GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: DIFFERENCE	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS NON LEVY AMENDMENT: DIFFERENCE	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 1000 STOP LOSS HB667 MILLS TO MAND. BUDG. CURRENT GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 800 STOP LOSS HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: DIFFERENCE
CARBON	FROMBERG H S	30.32	20.11	-10.21	44.87	29.76	-15.12	26.16	17.26	-8.90	30.32	20.11	-10.21
CARBON	JACKSON ELEM	52.58	43.82	-8.76	55.11	45.93	-9.18	44.77	37.11	-7.65	52.58	43.82	-8.76
CARBON	JOLIET ELEM	35.80	32.46	-3.35	51.97	47.11	-4.86	30.62	27.61	-3.00	35.80	32.46	-3.35
CARBON	JOLIET H S	22.70	19.23	-3.46	29.88	25.32	-4.56	19.86	16.75	-3.12	22.70	19.23	-3.46
CARBON	LUTHER ELEM	33.35	29.35	-4.00	57.20	50.34	-6.87	29.07	25.45	-3.62	33.35	29.35	-4.00
CARBON	RED LODGE ELEM	41.02	39.39	-1.63	46.60	44.74	-1.85	35.83	34.22	-1.60	41.02	39.39	-1.63
CARBON	RED LODGE H S	24.40	22.22	-2.18	26.77	24.37	-2.40	21.40	19.38	-2.02	24.40	22.22	-2.18
CARBON	ROBERTS ELEM	53.54	41.22	-12.31	67.51	51.99	-15.53	45.82	35.10	-10.72	53.54	41.22	-12.31
CARBON	ROBERTS H S	33.79	19.30	-14.49	48.75	27.85	-20.90	28.67	16.30	-12.38	33.79	19.30	-14.49
CARTER	ALBION ELEM	8.46	8.46	0.00	23.50	23.50	0.00	8.46	8.46	0.00	8.46	8.46	0.00
CARTER	ALZADA ELEM	3.09	3.09	0.00	8.85	8.85	0.00	3.09	3.09	0.00	3.09	3.09	0.00
CARTER	CARTER CO H S	0.00	0.00	0.00	24.75	24.75	0.00	9.98	9.96	-0.01	0.00	0.00	0.00
CARTER	EKALAKA ELEM	10.89	9.25	-1.64	62.12	52.75	-9.37	11.54	9.75	-1.79	10.89	9.25	-1.64
CARTER	HAMMOND-HAWKS HOME	26.35	26.35	0.00	38.59	38.59	0.00	26.64	26.64	0.00	26.35	26.35	0.00
CARTER	JOHNSTON ELEM	20.09	20.09	0.00	20.72	20.72	0.00	20.09	20.09	0.00	20.09	20.09	0.00
CARTER	PINE HILL-PLAINVW EL	6.17	4.80	-1.37	53.32	41.47	-11.85	5.15	3.99	-1.17	6.17	4.80	-1.37
CARTER	RIDGE ELEM	62.10	36.20	-25.90	90.49	52.75	-37.74	63.79	30.89	-32.90	62.10	36.20	-25.90
CASCADE	BELT ELEM	38.03	35.25	-2.78	56.92	52.75	-4.16	33.29	30.69	-2.59	38.03	35.25	-2.78
CASCADE	BELT H S	20.32	15.66	-4.67	38.63	29.76	-8.87	18.79	14.40	-4.39	20.32	15.66	-4.67
CASCADE	CASCADE ELEM	35.33	32.86	-2.46	51.76	48.16	-3.61	31.22	28.89	-2.32	35.33	32.86	-2.46
CASCADE	CASCADE H S	22.18	18.69	-3.49	35.30	29.74	-5.56	19.27	16.15	-3.12	22.18	18.69	-3.49
CASCADE	CENTERVILLE EL	43.97	41.13	-2.85	56.40	52.75	-3.65	37.56	34.95	-2.61	43.97	41.13	-2.85
CASCADE	CENTERVILLE H S	23.94	18.57	-5.37	36.32	28.17	-8.15	20.43	15.76	-4.67	23.94	18.57	-5.37
CASCADE	DEEP CREEK ELEM	5.44	4.80	-0.64	59.81	52.75	-7.06	5.44	3.99	-1.46	5.44	4.80	-0.64
CASCADE	GREAT FALLS EL	44.05	48.49	4.45	47.91	52.75	4.84	37.88	41.49	3.61	44.05	48.51	4.46
CASCADE	GREAT FALLS H S	20.34	24.44	4.10	24.76	29.76	4.99	18.16	21.71	3.55	20.34	24.52	4.19
CASCADE	SIMMS H S	31.48	27.65	-3.83	33.88	29.76	-4.12	27.46	24.00	-3.47	31.48	27.65	-3.83
CASCADE	SUN RIVER VALLEY ELM	43.69	43.92	0.23	52.48	52.75	0.28	37.81	37.81	0.00	43.69	43.92	0.23
CASCADE	ULM ELEM	36.50	34.28	-2.21	56.15	52.75	-3.40	31.60	29.53	-2.07	36.50	34.28	-2.21
CASCADE	VAUGHN ELEM	54.81	50.43	-4.38	56.72	52.19	-4.53	45.97	42.08	-3.89	54.81	50.43	-4.38
CHOTEAU	BIG SANDY ELEM	25.89	25.89	0.00	46.57	46.57	0.00	27.73	26.09	-1.64	25.89	25.89	0.00
CHOTEAU	BIG SANDY H S	15.98	13.46	-2.52	35.32	29.76	-5.57	18.03	13.77	-4.26	15.98	13.46	-2.52
CHOTEAU	CARTER ELEM	0.00	0.00	0.00	12.41	12.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	FT BENTON ELEM	40.95	38.92	-2.04	55.51	52.75	-2.76	35.79	33.84	-1.95	40.95	38.92	-2.04
CHOTEAU	FT BENTON H S	24.43	22.22	-2.21	32.72	29.76	-2.96	21.75	19.68	-2.07	24.43	22.22	-2.21
CHOTEAU	GERALDINE ELEM	0.00	0.00	0.00	49.58	49.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	GERALDINE H S	0.00	0.00	0.00	33.78	29.76	-4.02	0.00	0.00	0.00	0.00	0.00	0.00
CHOTEAU	HIGHWOOD ELEM	2.47	2.16	-0.31	60.23	52.75	-7.48	4.96	4.32	-0.64	2.47	2.16	-0.31
CHOTEAU	HIGHWOOD H S	0.98	0.59	-0.39	49.44	29.76	-19.68	1.69	1.01	-0.68	0.98	0.59	-0.39
CHOTEAU	KNEES ELEM	8.01	8.01	0.00	16.80	16.80	0.00	8.57	8.57	0.00	8.01	8.01	0.00
CHOTEAU	LOMA ELEM	1.31	1.31	0.00	13.64	13.64	0.00	2.18	2.18	0.00	1.31	1.31	0.00

EX 2
4-6-93
HB-667

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CHOTEAU	WARRICK ELEM	0.00	0.00	0.00	18.28	18.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTER	COTTONWOOD EL	50.40	43.52	-6.88	61.09	52.75	-8.34	42.31	36.35	-5.96	50.40	43.52	-6.88
CUSTER	CUSTER CO H S	18.45	19.87	1.41	27.64	29.76	2.12	16.79	17.98	1.19	18.45	19.87	1.41
CUSTER	HKT-BASIN SPR CRK EL	16.98	16.98	0.00	31.20	31.20	0.00	17.08	16.81	-0.27	16.98	16.98	0.00
CUSTER	KINSEY ELEM	36.50	35.41	-1.09	54.37	52.75	-1.62	31.26	30.17	-1.09	36.50	35.41	-1.09
CUSTER	KIRCHER ELEM	17.76	17.76	0.00	48.49	48.49	0.00	16.53	16.11	-0.43	17.76	17.76	0.00
CUSTER	MILES CITY ELEM	39.72	39.82	0.11	52.47	52.60	0.14	34.57	34.49	-0.09	39.72	39.82	0.11
CUSTER	MOON CREEK EL	6.07	6.07	0.00	10.92	10.92	0.00	6.15	6.15	0.00	6.07	6.07	0.00
CUSTER	S H-FOSTER CRK ELEM	17.10	17.10	0.00	41.89	41.89	0.00	19.25	16.67	-2.57	17.10	17.10	0.00
CUSTER	S Y ELEM	15.69	15.69	0.00	20.26	20.26	0.00	15.74	13.63	-2.12	15.69	15.69	0.00
CUSTER	TRAIL CREEK EL	22.39	22.39	0.00	24.49	24.49	0.00	22.39	21.56	-0.83	22.39	22.39	0.00
CUSTER	TWIN BUTTES EL	11.33	11.33	0.00	41.85	41.85	0.00	11.34	11.34	0.00	11.33	11.33	0.00
CUSTER	WHITNEY CRK EL	37.28	28.71	-8.57	64.30	49.51	-14.79	37.57	24.03	-13.54	37.28	28.71	-8.57
DANIELS	FLAXVILLE ELEM	0.00	0.00	0.00	65.10	52.75	-12.35	0.00	0.00	0.00	0.00	0.00	0.00
DANIELS	FLAXVILLE H S	4.64	2.23	-2.41	61.94	29.76	-32.18	4.55	2.18	-2.38	4.64	2.23	-2.41
DANIELS	PEERLESS ELEM	0.00	0.00	0.00	78.82	52.75	-26.07	0.00	0.00	0.00	0.00	0.00	0.00
DANIELS	PEERLESS H S	0.00	0.00	0.00	63.11	29.76	-33.36	0.00	0.00	0.00	0.00	0.00	0.00
DANIELS	SCOBEY ELEM	11.59	10.95	-0.65	55.86	52.75	-3.11	13.18	12.38	-0.80	11.59	10.95	-0.65
DANIELS	SCOBEY H S	6.40	5.03	-1.37	37.88	29.76	-8.12	9.00	7.03	-1.97	6.40	5.03	-1.37
DAWSON	BLOOMFIELD ELEM	12.47	12.47	0.00	41.69	41.69	0.00	15.87	15.66	-0.21	12.47	12.47	0.00
DAWSON	DAWSON CO H S	9.84	10.39	0.56	28.17	29.76	1.59	12.44	13.07	0.63	9.84	10.39	0.56
DAWSON	DEER CREEK ELEM	5.57	5.57	0.00	21.02	21.02	0.00	7.01	7.01	0.00	5.57	5.57	0.00
DAWSON	GLENDIVE ELEM	33.78	33.93	0.14	50.84	51.06	0.22	31.46	31.44	-0.03	33.78	33.93	0.14
DAWSON	LINDSAY ELEM	0.00	0.00	0.00	25.56	25.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DAWSON	RICHEY ELEM	11.43	8.82	-2.61	68.35	52.75	-15.60	15.34	11.78	-3.56	11.43	8.82	-2.61
DAWSON	RICHEY H S	18.32	10.92	-7.40	49.92	29.76	-20.17	19.12	11.34	-7.78	18.32	10.92	-7.40
DEER LODGE	ANACONDA ELEM	15.78	15.68	-0.11	53.11	52.75	-0.36	15.07	14.89	-0.18	15.78	15.68	-0.11
DEER LODGE	ANACONDA H S	4.49	4.76	0.27	28.04	29.76	1.71	4.51	4.76	0.25	4.49	4.76	0.27
FALLON	BAKER ELEM	0.00	0.00	0.00	54.09	52.75	-1.33	28.09	27.25	-0.83	0.00	0.00	0.00
FALLON	BAKER H S	0.00	0.00	0.00	33.15	29.76	-3.39	7.65	6.84	-0.82	0.00	0.00	0.00
FALLON	FERTILE PRAIRIE EL	0.00	0.00	0.00	11.71	11.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FALLON	PLEVNA ELEM	0.00	0.00	0.00	52.57	52.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FALLON	PLEVNA H S	0.00	0.00	0.00	53.33	29.76	-23.58	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	AYERS ELEM	17.09	11.81	-5.29	56.89	39.29	-17.60	14.27	9.81	-4.47	17.09	11.81	-5.29
FERGUS	COTTONWOOD ELEM	43.19	25.24	-17.95	78.92	46.12	-32.80	36.06	20.96	-15.10	43.19	25.24	-17.95
FERGUS	DEERFIELD ELEM	25.87	20.91	-4.96	62.69	50.67	-12.02	21.60	17.37	-4.23	25.87	20.91	-4.96
FERGUS	DENTON ELEM	38.41	32.97	-5.44	61.45	52.75	-8.70	34.04	29.07	-4.97	38.41	32.97	-5.44
FERGUS	DENTON H S	28.73	18.08	-10.65	47.17	29.69	-17.49	25.16	15.75	-9.41	28.73	18.08	-10.65
FERGUS	FERGUS H S	24.80	25.78	0.98	27.55	28.63	1.09	21.65	22.38	0.74	24.80	25.78	0.98
FERGUS	GRASS RANGE EL	23.13	19.96	-3.17	61.14	52.75	-8.38	19.85	17.04	-2.81	23.13	19.96	-3.17
FERGUS	GRASS RANGE H S	20.54	10.39	-10.15	58.83	29.76	-29.07	19.10	9.61	-9.49	20.54	10.39	-10.15

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FERGUS	KING COLONY EL	7.33	7.33	0.00	17.32	17.32	0.00	7.33	7.33	0.00	7.33	7.33	0.00
FERGUS	LEWISTOWN ELEM	44.44	44.35	-0.09	48.32	48.22	-0.09	38.26	37.99	-0.27	44.44	44.35	-0.09
FERGUS	MAIDEN ELEM	1.19	1.19	0.00	31.08	31.08	0.00	1.61	1.61	0.00	1.19	1.19	0.00
FERGUS	MOORE ELEM	49.86	42.15	-7.71	62.40	52.75	-9.65	41.75	35.11	-6.64	49.86	42.15	-7.71
FERGUS	MOORE H S	38.78	24.99	-13.79	46.18	29.76	-16.42	33.21	21.29	-11.92	38.78	24.99	-13.79
FERGUS	ROY ELEM	0.00	0.00	0.00	65.32	52.75	-12.57	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	ROY H S	0.00	0.00	0.00	98.89	29.76	-69.13	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	SPRING CRK COLONY EL	26.30	14.80	-11.50	93.73	52.75	-40.98	26.03	12.29	-13.74	26.30	14.80	-11.50
FERGUS	WINIFRED ELEM	0.00	0.00	0.00	60.76	52.75	-8.01	0.00	0.00	0.00	0.00	0.00	0.00
FERGUS	WINIFRED H S	10.55	5.96	-4.59	52.70	29.76	-22.94	9.77	5.49	-4.28	10.55	5.96	-4.59
FLATHEAD	BATAVIA ELEM	51.67	45.50	-6.17	59.90	52.75	-7.15	44.07	38.61	-5.46	51.67	45.50	-6.17
FLATHEAD	BIGFORK ELEM	44.66	43.20	-1.45	47.63	46.08	-1.55	38.23	36.80	-1.43	44.66	43.20	-1.45
FLATHEAD	BIGFORK H S	19.42	19.33	-0.10	21.60	21.49	-0.11	17.03	16.86	-0.17	19.42	19.33	-0.10
FLATHEAD	CAYUSE PRAIRIE ELEM	49.69	47.74	-1.95	53.80	51.69	-2.11	42.20	40.33	-1.86	49.69	47.74	-1.95
FLATHEAD	COLUMBIA FALLS ELEM	40.72	41.35	0.62	48.69	49.43	0.75	35.07	35.42	0.35	40.72	41.35	0.62
FLATHEAD	COLUMBIA FALLS H S	17.86	19.58	1.72	23.58	25.85	2.27	15.77	17.20	1.43	17.86	19.58	1.72
FLATHEAD	CRESTON ELEM	47.06	48.04	0.98	51.67	52.75	1.08	40.83	41.47	0.64	47.06	48.04	0.98
FLATHEAD	DEER PARK ELEM	56.10	48.94	-7.17	60.48	52.75	-7.72	47.61	41.31	-6.30	56.10	48.94	-7.17
FLATHEAD	EVERGREEN ELEM	46.70	46.07	-0.63	51.27	50.58	-0.69	40.04	39.29	-0.74	46.70	46.07	-0.63
FLATHEAD	FAIR-MONT-EGAN ELEM	52.11	47.20	-4.91	55.42	50.20	-5.22	44.52	40.12	-4.40	52.11	47.20	-4.91
FLATHEAD	FLATHEAD H S	21.23	24.99	3.76	25.28	29.76	4.48	18.69	21.88	3.20	21.23	25.04	3.81
FLATHEAD	HELENA FLATS EL	44.73	41.44	-3.29	54.69	50.67	-4.02	38.52	35.50	-3.02	44.73	41.44	-3.29
FLATHEAD	KALISPELL ELEM	36.86	37.90	1.04	51.30	52.75	1.45	33.04	33.80	0.76	36.86	37.90	1.04
FLATHEAD	KILA ELEM	43.67	45.30	1.63	50.17	52.05	1.88	37.88	39.09	1.21	43.67	45.30	1.63
FLATHEAD	MARION ELEM	50.98	43.87	-7.11	61.30	52.75	-8.55	43.57	37.30	-6.27	50.98	43.87	-7.11
FLATHEAD	OLNEY-BISSELL ELEM	52.90	47.89	-5.01	57.27	51.84	-5.42	45.22	40.73	-4.49	52.90	47.89	-5.01
FLATHEAD	PLEASANT VALLEY ELEM	28.34	28.34	0.00	31.02	31.02	0.00	29.02	29.02	0.00	28.34	28.34	0.00
FLATHEAD	SOMERS ELEM	48.46	46.93	-1.53	53.38	51.69	-1.69	42.35	40.80	-1.55	48.46	46.93	-1.53
FLATHEAD	SWAN RIVER EL	19.25	17.88	-1.37	56.80	52.75	-4.05	16.25	15.01	-1.24	19.25	17.88	-1.37
FLATHEAD	WEST GLACIER ELEM	18.23	18.23	0.00	36.76	36.76	0.00	18.85	18.85	0.00	18.23	18.23	0.00
FLATHEAD	WEST VALLEY EL	46.94	44.27	-2.67	49.39	46.58	-2.81	40.27	37.78	-2.49	46.94	44.27	-2.67
FLATHEAD	WHITEFISH ELEM	31.38	31.11	-0.26	47.24	46.84	-0.40	27.08	26.71	-0.37	31.38	31.11	-0.26
FLATHEAD	WHITEFISH H S	17.34	18.36	1.02	25.57	27.08	1.51	15.17	15.99	0.81	17.34	18.36	1.02
GALLATIN	AMSTERDAM ELEM	26.35	26.35	0.00	41.40	41.40	0.00	28.97	28.97	0.00	26.35	26.35	0.00
GALLATIN	ANDERSON ELEM	52.44	49.64	-2.80	55.52	52.56	-2.96	45.03	42.41	-2.62	52.44	49.64	-2.80
GALLATIN	BELGRADE ELEM	44.64	45.04	0.40	47.17	47.60	0.43	38.34	38.48	0.15	44.64	45.04	0.40
GALLATIN	BELGRADE H S	19.75	20.45	0.70	21.79	22.57	0.77	17.13	17.64	0.52	19.75	20.45	0.70
GALLATIN	BOZEMAN ELEM	36.69	38.75	2.07	49.94	52.75	2.82	32.56	34.22	1.66	36.69	38.75	2.07
GALLATIN	BOZEMAN H S	20.34	23.36	3.03	25.90	29.76	3.86	18.65	21.32	2.67	20.34	23.40	3.07
GALLATIN	COTTONWOOD EL	40.90	30.24	-10.65	45.14	33.38	-11.76	36.11	26.57	-9.54	40.90	30.24	-10.65
GALLATIN	GALLATIN GTWY ELEM	47.22	43.66	-3.56	57.05	52.75	-4.30	41.57	38.24	-3.33	47.22	43.66	-3.56

Ex 2
4-6-93
HB 667

OFFICE OF THE LEGISLATIVE AUDITOR
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WEIGHTED GTB ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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GALLATIN	LA MOTTE ELEM	31.95	31.42	-0.53	53.65	52.75	-0.90	28.36	27.74	-0.62	31.95	31.42	-0.53
GALLATIN	MALMBORG ELEM	24.32	24.32	0.00	28.68	28.68	0.00	24.45	24.45	0.00	24.32	24.32	0.00
GALLATIN	MANHATTAN ELEM	44.25	41.24	-3.01	46.95	43.76	-3.19	38.07	35.30	-2.77	44.25	41.24	-3.01
GALLATIN	MANHATTAN H S	24.49	22.30	-2.19	26.53	24.15	-2.37	21.43	19.41	-2.02	24.49	22.30	-2.19
GALLATIN	MONFORTON EL	51.27	46.78	-4.49	56.46	51.52	-4.94	43.79	39.75	-4.04	51.27	46.78	-4.49
GALLATIN	OPHIR ELEM	12.30	12.30	0.00	19.92	19.92	0.00	13.07	13.07	0.00	12.30	12.30	0.00
GALLATIN	PASS CREEK ELEM	25.80	23.34	-2.46	31.38	28.38	-2.99	23.38	19.39	-4.00	25.80	23.34	-2.46
GALLATIN	SPRINGHILL EL	62.74	49.80	-12.94	65.28	51.82	-13.46	52.39	41.37	-11.02	62.74	49.80	-12.94
GALLATIN	THREE FORKS EL	38.99	36.80	-2.19	50.32	47.50	-2.83	33.92	31.85	-2.07	38.99	36.80	-2.19
GALLATIN	THREE FORKS H S	23.68	19.75	-3.94	32.55	27.14	-5.41	20.63	17.11	-3.52	23.68	19.75	-3.94
GALLATIN	W YELLOWSTONE ELEM	30.67	27.40	-3.27	59.05	52.75	-6.30	29.67	26.37	-3.30	30.67	27.40	-3.27
GALLATIN	W YELLOWSTONE H S	19.53	13.82	-5.71	42.04	29.76	-12.28	20.35	14.33	-6.02	19.53	13.82	-5.71
GALLATIN	WILLOW CREEK EL	36.03	31.03	-5.01	53.42	45.99	-7.42	36.62	26.19	-10.43	36.03	31.03	-5.01
GALLATIN	WILLOW CREEK HS	48.09	20.55	-27.54	60.20	25.72	-34.48	48.84	17.34	-31.50	48.09	20.55	-27.54
GARFIELD	BENZIEN ELEM	29.85	19.72	-10.13	51.56	34.06	-17.50	24.93	16.38	-8.55	29.85	19.72	-10.13
GARFIELD	BIG DRY CREEK ELEM	14.96	14.96	0.00	37.88	37.88	0.00	15.87	15.87	0.00	14.96	14.96	0.00
GARFIELD	BLACKFOOT ELEM	17.33	17.33	0.00	24.90	24.90	0.00	17.33	17.33	0.00	17.33	17.33	0.00
GARFIELD	COHAGEN ELEM	20.49	18.48	-2.01	52.51	47.36	-5.16	17.14	15.35	-1.78	20.49	18.48	-2.01
GARFIELD	GARFIELD CO H S	26.91	20.87	-6.04	38.37	29.76	-8.61	24.37	18.81	-5.57	26.91	20.87	-6.04
GARFIELD	JORDAN ELEM	41.91	36.43	-5.48	60.30	52.42	-7.89	35.71	30.88	-4.83	41.91	36.43	-5.48
GARFIELD	KESTER ELEM	0.00	0.00	0.00	90.27	52.75	-37.52	0.00	0.00	0.00	0.00	0.00	0.00
GARFIELD	PINE GROVE ELEM	24.20	17.35	-6.86	31.09	22.28	-8.81	20.53	14.64	-5.89	24.20	17.35	-6.86
GARFIELD	ROSS ELEM	70.41	33.43	-36.98	111.11	52.75	-58.36	58.80	27.77	-31.03	70.41	33.43	-36.98
GARFIELD	SAND SPRINGS EL	11.30	11.30	0.00	18.66	18.66	0.00	11.43	11.43	0.00	11.30	11.30	0.00
GARFIELD	VAN NORMAN ELEM	31.67	31.67	0.00	34.77	34.77	0.00	31.74	31.28	-0.46	31.67	31.67	0.00
GLACIER	BROWNING ELEM	28.61	29.27	0.66	48.49	49.61	1.12	25.88	26.34	0.46	28.61	29.27	0.66
GLACIER	BROWNING H S	12.32	12.42	0.11	21.86	22.05	0.19	11.60	11.64	0.04	12.32	12.42	0.11
GLACIER	CUT BANK ELEM	20.91	20.62	-0.29	52.04	51.32	-0.73	28.26	27.73	-0.54	20.91	20.62	-0.29
GLACIER	CUT BANK H S	12.05	11.76	-0.30	30.51	29.76	-0.76	21.19	20.56	-0.63	12.05	11.76	-0.30
GLACIER	E GLACIER PARK ELEM	19.27	19.20	-0.06	52.92	52.75	-0.17	16.09	15.95	-0.13	19.27	19.20	-0.06
GLACIER	MOUNTAIN VIEW ELEMENTAF	37.09	33.16	-3.93	51.58	46.12	-5.46	31.02	27.59	-3.43	37.09	33.16	-3.93
GOLDEN VALLEY	LAVINA ELEM	50.83	45.32	-5.51	59.16	52.75	-6.41	51.48	38.76	-12.72	50.83	45.32	-5.51
GOLDEN VALLEY	LAVINA H S	41.04	17.03	-24.01	50.14	20.80	-29.34	35.67	14.62	-21.05	41.04	17.03	-24.01
GOLDEN VALLEY	RYEGATE ELEM	22.49	22.49	0.00	33.38	33.38	0.00	24.02	24.02	0.00	22.49	22.49	0.00
GOLDEN VALLEY	RYEGATE H S	32.81	22.00	-10.81	44.39	29.76	-14.63	34.61	19.27	-15.33	32.81	22.00	-10.81
GRANITE	DRUMMOND ELEM	29.28	25.31	-3.97	61.02	52.75	-8.27	25.41	21.86	-3.56	29.28	25.31	-3.97
GRANITE	DRUMMOND H S	8.74	6.80	-1.94	34.79	27.07	-7.72	7.41	5.73	-1.67	8.74	6.80	-1.94
GRANITE	GRANITE H S	22.93	16.93	-6.00	40.30	29.76	-10.54	20.24	14.87	-5.37	22.93	16.93	-6.00
GRANITE	HALL ELEM	0.00	0.00	0.00	42.50	42.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANITE	PHILIPSBURG EL	31.13	29.32	-1.81	56.01	52.75	-3.26	27.90	26.14	-1.76	31.13	29.32	-1.81
HILL	BLUE SKY ELEM	32.51	31.61	-0.90	54.25	52.75	-1.50	30.30	27.97	-2.34	32.51	31.61	-0.90

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HILL	BLUE SKY HIGH	5.26	3.96	-1.31	39.58	29.76	-9.82	8.95	5.59	-3.36	5.26	3.96	-1.31
HILL	BOX ELDER ELEM	53.44	48.74	-4.70	56.03	51.10	-4.93	44.92	40.76	-4.16	53.44	48.74	-4.70
HILL	BOX ELDER H S	46.14	28.54	-17.59	47.18	29.19	-17.99	38.65	23.79	-14.86	46.14	28.54	-17.59
HILL	COTTONWOOD ELEM	0.00	0.00	0.00	24.81	24.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HILL	DAVEY ELEM	0.00	0.00	0.00	59.74	52.75	-6.98	0.00	0.00	0.00	0.00	0.00	0.00
HILL	GILDFORD COLONY ELEM	30.41	23.10	-7.30	48.14	36.57	-11.57	25.58	19.33	-6.24	30.41	23.10	-7.30
HILL	HAVRE ELEM	33.06	33.81	0.75	50.56	51.71	1.15	30.66	31.19	0.54	33.06	33.81	0.75
HILL	HAVRE H S	7.58	8.33	0.75	21.87	24.05	2.18	8.17	8.94	0.77	7.58	8.33	0.75
HILL	K-G ELEM	27.42	27.42	0.00	46.87	46.87	0.00	29.69	27.76	-1.93	27.42	27.42	0.00
HILL	K-G HIGH SCHOOL	11.87	8.50	-3.37	41.57	29.76	-11.82	14.78	8.79	-5.99	11.87	8.50	-3.37
HILL	ROCKY BOY ELEM	43.46	42.74	-0.72	46.42	45.65	-0.77	36.33	35.55	-0.78	43.46	42.74	-0.72
HILL	ROCKY BOY H S	12.51	9.39	-3.12	37.32	28.01	-9.30	10.47	7.82	-2.65	12.51	9.39	-3.12
JEFFERSON	BASIN ELEM	0.00	0.00	0.00	12.92	12.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JEFFERSON	BOULDER ELEM	50.68	46.82	-3.86	57.10	52.75	-4.35	42.36	38.93	-3.43	50.68	46.82	-3.86
JEFFERSON	CARDWELL ELEM	10.76	10.76	0.00	13.22	13.22	0.00	10.83	10.83	0.00	10.76	10.76	0.00
JEFFERSON	CLANCY ELEM	47.87	45.87	-2.00	55.05	52.75	-2.30	42.00	40.04	-1.96	47.87	45.87	-2.00
JEFFERSON	JEFFERSON H S	21.92	20.98	-0.93	27.87	26.69	-1.19	19.01	18.11	-0.90	21.92	20.98	-0.93
JEFFERSON	MONTANA CITY ELEM	43.94	41.18	-2.76	56.29	52.75	-3.54	38.54	35.93	-2.61	43.94	41.18	-2.76
JEFFERSON	WHITEHALL ELEM	36.01	34.47	-1.55	45.57	43.61	-1.96	31.64	30.13	-1.52	36.01	34.47	-1.55
JEFFERSON	WHITEHALL H S	14.08	12.79	-1.29	26.55	24.12	-2.43	12.59	11.37	-1.21	14.08	12.79	-1.29
JUDITH BASIN	GEYSER ELEM	26.57	23.05	-3.52	60.81	52.75	-8.06	23.27	20.08	-3.19	26.57	23.05	-3.52
JUDITH BASIN	GEYSER H S	33.52	16.40	-17.12	60.17	29.43	-30.74	28.97	14.10	-14.87	33.52	16.40	-17.12
JUDITH BASIN	HOBSON ELEM	37.55	37.55	0.00	48.14	48.14	0.00	39.61	36.06	-3.55	37.55	37.55	0.00
JUDITH BASIN	HOBSON H S	40.23	23.98	-16.25	49.92	29.76	-20.17	35.16	20.85	-14.31	40.23	23.98	-16.25
JUDITH BASIN	RAYNESFORD ELEM	30.33	26.91	-3.42	59.45	52.75	-6.70	26.62	23.50	-3.12	30.33	26.91	-3.42
JUDITH BASIN	STANFORD ELEM	36.01	32.00	-4.01	55.49	49.31	-6.19	31.26	27.64	-3.63	36.01	32.00	-4.01
JUDITH BASIN	STANFORD H S	29.86	19.53	-10.33	45.50	29.76	-15.75	25.88	16.83	-9.04	29.86	19.53	-10.33
LAKE	ARLEE ELEM	38.19	35.76	-2.43	50.29	47.08	-3.20	32.45	30.22	-2.22	38.19	35.76	-2.43
LAKE	ARLEE H S	10.66	9.31	-1.35	16.92	14.77	-2.15	9.08	7.88	-1.19	10.66	9.31	-1.35
LAKE	CHARLO ELEM	41.95	39.23	-2.71	56.40	52.75	-3.65	35.27	32.82	-2.45	41.95	39.23	-2.71
LAKE	CHARLO H S	37.12	26.68	-10.45	40.83	29.34	-11.49	32.06	22.92	-9.14	37.12	26.68	-10.45
LAKE	POLSON ELEM	36.82	36.79	-0.03	46.70	46.66	-0.04	31.13	30.95	-0.19	36.82	36.79	-0.03
LAKE	POLSON H S	17.09	17.86	0.77	21.31	22.26	0.95	14.79	15.38	0.58	17.09	17.86	0.77
LAKE	RONAN ELEM	10.86	10.94	0.08	30.71	30.94	0.23	9.61	9.64	0.02	10.86	10.94	0.08
LAKE	RONAN H S	1.26	1.29	0.03	8.06	8.25	0.18	1.47	1.50	0.03	1.26	1.29	0.03
LAKE	ST IGNATIUS ELEM	35.91	34.98	-0.93	54.16	52.75	-1.41	30.25	29.31	-0.94	35.91	34.98	-0.93
LAKE	ST IGNATIUS H S	0.00	0.00	0.00	14.25	12.84	-1.41	0.36	0.32	-0.04	0.00	0.00	0.00
LAKE	SWAN LAKE-SALMON ELEM	27.19	27.19	0.00	28.19	28.19	0.00	27.39	27.39	0.00	27.19	27.19	0.00
LAKE	UPPER WEST SHORE ELEM	8.08	8.08	0.00	11.40	11.40	0.00	8.08	8.08	0.00	8.08	8.08	0.00
LAKE	VALLEY VIEW ELEM	35.31	30.49	-4.82	40.11	34.63	-5.47	29.48	25.33	-4.15	35.31	30.49	-4.82
LEWIS & CLARK	AUCHARD CRK ELEM	6.18	5.39	-0.79	27.50	23.98	-3.52	5.16	4.47	-0.68	6.18	5.39	-0.79

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LEWIS & CLARK	AUGUSTA ELEM	45.42	38.86	-6.57	61.67	52.75	-8.92	39.07	33.25	-5.82	45.42	38.86	-6.57
LEWIS & CLARK	AUGUSTA H S	20.32	10.28	-10.04	58.83	29.76	-29.07	18.41	9.26	-9.14	20.32	10.28	-10.04
LEWIS & CLARK	CRAIG ELEM	11.60	11.60	0.00	15.03	15.03	0.00	11.60	11.60	0.00	11.60	11.60	0.00
LEWIS & CLARK	E HELENA ELEM	43.85	43.97	0.11	46.15	46.27	0.12	37.42	37.33	-0.10	43.85	43.97	0.11
LEWIS & CLARK	HELENA ELEM	43.78	46.99	3.21	49.15	52.75	3.60	38.48	41.09	2.61	43.78	46.99	3.22
LEWIS & CLARK	HELENA H S	21.72	25.82	4.10	25.04	29.76	4.72	19.36	22.89	3.53	21.72	25.87	4.15
LEWIS & CLARK	KESSLER ELEM	35.21	37.85	2.63	44.47	47.80	3.33	30.63	32.76	2.12	35.21	37.85	2.63
LEWIS & CLARK	LINCOLN ELEM	44.75	41.61	-3.14	55.41	51.52	-3.89	38.39	35.51	-2.88	44.75	41.61	-3.14
LEWIS & CLARK	LINCOLN HIGH SCHOOL	41.71	24.61	-17.10	48.30	28.50	-19.80	35.64	20.92	-14.72	41.71	24.61	-17.10
LEWIS & CLARK	TRINITY ELEM	0.00	0.00	0.00	14.21	14.21	0.00	0.51	0.51	0.00	0.00	0.00	0.00
LEWIS & CLARK	WOLF CREEK ELEM	2.69	2.69	0.00	12.68	12.68	0.00	3.18	3.18	0.00	2.69	2.69	0.00
LIBERTY	CHESTER ELEM	19.24	17.92	-1.33	55.40	51.58	-3.82	22.89	21.20	-1.69	19.24	17.92	-1.33
LIBERTY	CHESTER H S	0.00	0.00	0.00	37.08	29.76	-7.32	11.29	8.85	-2.44	0.00	0.00	0.00
LIBERTY	J-I ELEM	0.00	0.00	0.00	54.88	52.75	-2.12	0.00	0.00	0.00	0.00	0.00	0.00
LIBERTY	J-I HIGH SCHOOL	9.97	7.51	-2.46	39.48	29.76	-9.73	13.66	8.55	-5.11	9.97	7.51	-2.46
LIBERTY	LIBERTY ELEM SCHOOL	36.43	27.68	-8.75	41.50	31.53	-9.97	33.33	25.19	-8.14	36.43	27.68	-8.75
LIBERTY	WHITLASH ELEM	0.00	0.00	0.00	25.94	25.94	0.00	4.87	4.87	0.00	0.00	0.00	0.00
LINCOLN	EUREKA ELEM	36.40	35.45	-0.95	47.01	45.78	-1.23	31.79	30.80	-0.99	36.40	35.45	-0.95
LINCOLN	FORTINE ELEM	28.15	28.67	0.52	51.80	52.75	0.95	23.51	23.82	0.31	28.15	28.67	0.52
LINCOLN	LIBBY ELEM	39.56	40.16	0.59	51.97	52.75	0.78	35.17	35.52	0.34	39.56	40.16	0.59
LINCOLN	LIBBY H S	20.08	21.54	1.46	27.73	29.74	2.01	18.34	19.57	1.23	20.08	21.54	1.46
LINCOLN	LINCOLN CO H S	17.58	17.36	-0.22	22.12	21.84	-0.28	15.41	15.13	-0.27	17.58	17.36	-0.22
LINCOLN	MCCORMICK ELEM	18.48	15.40	-3.08	60.06	50.06	-10.01	15.75	13.06	-2.69	18.48	15.40	-3.08
LINCOLN	SYLVANITE ELEM	53.17	42.21	-10.96	61.96	49.18	-12.78	44.70	35.30	-9.40	53.17	42.21	-10.96
LINCOLN	TREGO ELEM	29.14	29.48	0.34	52.14	52.75	0.61	25.19	25.35	0.16	29.14	29.48	0.34
LINCOLN	TROY ELEM	40.98	38.84	-2.14	50.03	47.41	-2.61	35.37	33.35	-2.02	40.96	38.84	-2.14
LINCOLN	TROY H S	21.82	20.76	-1.06	26.73	25.43	-1.30	18.90	17.88	-1.01	21.82	20.76	-1.06
LINCOLN	YAAK ELEM	45.14	38.11	-7.03	62.48	52.75	-9.73	39.07	32.82	-6.25	45.14	38.11	-7.03
MADISON	ALDER ELEM	32.75	31.20	-1.56	41.41	39.44	-1.97	29.33	26.91	-2.42	32.75	31.20	-1.56
MADISON	ENNIS ELEM	22.98	22.98	0.00	35.14	35.14	0.00	24.12	24.12	0.00	22.98	22.98	0.00
MADISON	ENNIS H S	19.41	18.43	-0.99	31.35	29.76	-1.59	19.41	15.99	-3.42	19.41	18.43	-0.99
MADISON	HARRISON ELEM	43.74	35.30	-8.45	62.41	50.36	-12.05	37.57	30.16	-7.41	43.74	35.30	-8.45
MADISON	HARRISON H S	34.59	18.31	-16.28	49.52	26.21	-23.31	29.79	15.69	-14.10	34.59	18.31	-16.28
MADISON	SHERIDAN ELEM	23.92	21.94	-1.98	45.82	42.02	-3.80	20.01	18.25	-1.75	23.92	21.94	-1.98
MADISON	SHERIDAN H S	20.14	15.92	-4.22	31.63	25.00	-6.63	17.72	13.93	-3.79	20.14	15.92	-4.22
MADISON	TWIN BRIDGES ELEM	33.86	30.31	-3.54	58.92	52.75	-6.17	29.46	26.24	-3.22	33.86	30.31	-3.54
MADISON	TWIN BRIDGES H S	19.37	14.30	-5.07	40.30	29.76	-10.54	16.85	12.38	-4.47	19.37	14.30	-5.07
MCCONE	CIRCLE ELEM	11.92	10.84	-1.08	58.00	52.75	-5.25	14.92	13.50	-1.42	11.92	10.84	-1.08
MCCONE	CIRCLE H S	13.50	11.65	-1.85	34.48	29.76	-4.72	13.52	11.61	-1.91	13.50	11.65	-1.85
MCCONE	PRAIRIE ELK ELEM	9.89	9.89	0.00	16.46	16.46	0.00	9.93	9.93	0.00	9.89	9.89	0.00
MCCONE	SOUTHVIEW ELEM	19.54	19.54	0.00	21.66	21.66	0.00	20.14	20.14	0.00	19.54	19.54	0.00

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STAN96.WK1
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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. CURRENT GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 1000 STOP LOSS HB667 MILLS TO MAND. BUDG. CURRENT GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 600 STOP LOSS HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
MCCONE	VIDA ELEM	3.99	3.99	0.00	15.65	15.65	0.00	5.47	5.47	0.00	3.99	3.99	0.00
MEAGHER	LENNEP ELEM	3.84	3.84	0.00	4.47	4.47	0.00	3.93	3.93	0.00	3.84	3.84	0.00
MEAGHER	RINGLING ELEM	6.38	6.38	0.00	6.93	6.93	0.00	6.46	6.46	0.00	6.38	6.38	0.00
MEAGHER	WHT SULPHUR SPGS ELEM	42.21	39.14	-3.07	56.88	52.75	-4.13	38.43	35.45	-2.97	42.21	39.14	-3.07
MEAGHER	WHT SULPHUR SPGS HS	27.31	22.17	-5.14	36.65	29.76	-6.89	24.25	19.29	-4.96	27.31	22.17	-5.14
MINERAL	ALBERTON ELEM	46.11	41.00	-5.11	59.33	52.75	-6.58	39.43	34.88	-4.55	46.11	41.00	-5.11
MINERAL	ALBERTON H S	34.45	22.69	-11.76	45.18	29.76	-15.43	29.71	19.46	-10.24	34.45	22.69	-11.76
MINERAL	ST REGIS ELEM	41.00	36.79	-4.21	58.79	52.75	-6.04	35.56	31.74	-3.82	41.00	36.79	-4.21
MINERAL	ST REGIS H S	28.25	18.20	-10.04	46.18	29.76	-16.42	24.58	15.76	-8.82	28.25	18.20	-10.04
MINERAL	SUPERIOR ELEM	45.96	44.03	-1.93	55.06	52.75	-2.31	40.42	38.52	-1.90	45.96	44.03	-1.93
MINERAL	SUPERIOR H S	28.99	24.66	-4.33	33.90	28.84	-5.06	25.15	21.28	-3.86	28.99	24.66	-4.33
MISSOULA	BONNER ELEM	50.17	48.74	-1.44	54.31	52.75	-1.55	43.01	41.57	-1.45	50.17	48.74	-1.44
MISSOULA	CLINTON ELEM	52.13	48.59	-3.54	56.59	52.75	-3.84	44.33	41.10	-3.22	52.13	48.59	-3.54
MISSOULA	DESMET SCHOOL	57.46	50.38	-7.08	60.17	52.75	-7.42	48.51	42.31	-6.20	57.46	50.38	-7.08
MISSOULA	FRENCHTOWN ELEM	33.40	32.92	-0.47	51.19	50.46	-0.73	28.60	27.91	-0.69	33.40	32.92	-0.47
MISSOULA	FRENCHTOWN H S	13.46	13.13	-0.33	30.50	29.76	-0.74	11.86	11.51	-0.35	13.46	13.13	-0.33
MISSOULA	HELLGATE ELEM	43.55	43.86	0.31	46.41	46.74	0.33	36.95	37.02	0.07	43.55	43.86	0.31
MISSOULA	LOLO ELEM	50.93	50.44	-0.49	53.26	52.75	-0.51	43.60	42.96	-0.64	50.93	50.44	-0.49
MISSOULA	MISSOULA ELEM	44.44	48.45	4.01	48.38	52.75	4.37	38.70	41.98	3.28	44.44	48.46	4.02
MISSOULA	MISSOULA H S	22.02	26.46	4.45	24.76	29.76	5.00	19.44	23.24	3.81	22.02	26.52	4.50
MISSOULA	POTOMAC ELEM	47.61	40.70	-6.91	61.71	52.75	-8.96	40.43	34.38	-6.05	47.61	40.70	-6.91
MISSOULA	SEELEY LAKE ELEM	43.06	40.04	-3.02	52.53	48.85	-3.68	37.60	34.78	-2.81	43.06	40.04	-3.02
MISSOULA	SUNSET ELEM	33.26	29.70	-3.55	48.20	43.05	-5.15	34.07	25.28	-8.79	33.26	29.70	-3.55
MISSOULA	SWAN VALLEY ELEM	16.79	14.55	-2.23	60.84	52.75	-8.09	14.02	12.09	-1.93	16.79	14.55	-2.23
MISSOULA	TARGET RANGE ELEM	43.03	41.41	-1.62	46.62	44.86	-1.76	36.87	35.30	-1.57	43.03	41.41	-1.62
MISSOULA	WOODMAN ELEM	16.33	13.41	-2.92	64.23	52.75	-11.47	13.69	11.18	-2.50	16.33	13.41	-2.92
MUSSELSHELL	MELSTONE ELEM	9.01	7.12	-1.89	66.76	52.75	-14.01	31.29	24.59	-6.69	9.01	7.12	-1.89
MUSSELSHELL	MELSTONE H S	26.14	16.17	-9.97	48.10	29.76	-18.34	32.19	19.81	-12.38	26.14	16.17	-9.97
MUSSELSHELL	MUSSELSHELL ELEM	0.00	0.00	0.00	38.56	38.56	0.00	26.40	26.40	0.00	0.00	0.00	0.00
MUSSELSHELL	ROUNDUP ELEM	43.64	41.78	-1.86	47.92	45.87	-2.04	39.07	37.21	-1.86	43.64	41.78	-1.86
MUSSELSHELL	ROUNDUP H S	18.99	17.61	-1.38	26.24	24.33	-1.91	21.22	19.58	-1.64	18.99	17.61	-1.38
PARK	ARROWHEAD ELEM	27.30	27.30	0.00	44.39	44.39	0.00	30.29	29.90	-0.39	27.30	27.30	0.00
PARK	COOKE CITY ELEM	31.21	31.21	0.00	33.93	33.93	0.00	32.47	32.47	0.00	31.21	31.21	0.00
PARK	GARDINER ELEM	49.04	43.81	-5.24	55.31	49.40	-5.91	43.21	38.40	-4.81	49.04	43.81	-5.24
PARK	GARDINER H S	35.17	25.28	-9.90	40.36	29.01	-11.36	31.31	22.38	-8.93	35.17	25.28	-9.90
PARK	LIVINGSTON ELEM	43.82	43.43	-0.38	53.22	52.75	-0.46	38.56	38.03	-0.53	43.82	43.43	-0.38
PARK	PARK H S	19.68	20.56	0.88	28.48	29.76	1.28	18.19	18.91	0.72	19.68	20.56	0.88
PARK	PINE CREEK ELEM	33.70	29.66	-4.05	43.26	38.06	-5.19	28.14	24.64	-3.51	33.70	29.66	-4.05
PARK	RICHLAND ELEM	0.00	0.00	0.00	52.19	52.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PARK	SPRINGDALE ELEM	14.24	14.24	0.00	15.45	15.45	0.00	14.41	14.41	0.00	14.24	14.24	0.00
PARK	SHIELDS VALLEY HIGH SCH	14.43	11.19	-3.24	38.37	29.76	-8.61	13.08	10.09	-2.99	14.43	11.19	-3.24

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SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. CURRENT GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 1000 STOP LOSS HB667 MILLS TO MAND. BUDG. CURRENT GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 800 STOP LOSS HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
PARK	SHIELDS VLY ELEM SCH DIST	26.38	24.93	-1.44	55.80	52.75	-3.05	22.03	20.71	-1.31	26.38	24.93	-1.44
PETROLEUM	WINNETT ELEM	15.73	12.65	-3.08	65.61	52.75	-12.86	23.26	18.61	-4.66	15.73	12.65	-3.08
PETROLEUM	WINNETT H S	13.79	7.40	-6.39	55.44	29.76	-25.68	19.07	10.18	-8.89	13.79	7.40	-6.39
PHILLIPS	DODSON ELEM	4.30	3.53	-0.77	64.24	52.75	-11.49	4.04	3.30	-0.74	4.30	3.53	-0.77
PHILLIPS	DODSON H S	10.96	6.72	-4.24	48.53	29.76	-18.77	11.71	7.15	-4.57	10.96	6.72	-4.24
PHILLIPS	LANDUSKY ELEM	6.29	6.29	0.00	7.35	7.35	0.00	6.33	6.33	0.00	6.29	6.29	0.00
PHILLIPS	MALTA ELEM	37.08	36.10	-0.97	54.17	52.75	-1.42	34.25	33.18	-1.07	37.08	36.10	-0.97
PHILLIPS	MALTA H S	21.56	20.45	-1.11	31.29	29.68	-1.61	20.04	18.91	-1.13	21.56	20.45	-1.11
PHILLIPS	SACO ELEM	0.00	0.00	0.00	44.09	44.09	0.00	18.59	18.48	-0.11	0.00	0.00	0.00
PHILLIPS	SACO H S	0.00	0.00	0.00	43.74	29.76	-13.99	15.60	8.82	-6.79	0.00	0.00	0.00
PHILLIPS	SECOND CRK ELEM	16.22	16.22	0.00	32.06	32.06	0.00	16.50	16.50	0.00	16.22	16.22	0.00
PHILLIPS	WHITEWATER ELEM	0.00	0.00	0.00	28.79	28.79	0.00	7.32	7.32	0.00	0.00	0.00	0.00
PHILLIPS	WHITEWATER H S	0.00	0.00	0.00	40.98	29.76	-11.23	10.25	6.18	-4.07	0.00	0.00	0.00
PONDERA	BRADY ELEM	33.19	33.19	0.00	45.99	45.99	0.00	35.61	33.94	-1.68	33.19	33.19	0.00
PONDERA	BRADY H S	35.89	21.97	-13.92	42.40	25.95	-16.45	35.38	18.63	-16.75	35.89	21.97	-13.92
PONDERA	CONRAD ELEM	25.20	24.61	-0.59	54.02	52.75	-1.27	28.70	27.89	-0.82	25.20	24.61	-0.59
PONDERA	CONRAD H S	11.84	11.28	-0.57	31.26	29.76	-1.50	16.07	15.22	-0.85	11.84	11.28	-0.57
PONDERA	DUPUYER ELEM	43.76	40.76	-3.00	54.76	51.01	-3.76	38.68	35.84	-2.84	43.76	40.76	-3.00
PONDERA	HEART BUTTE	43.15	27.81	-15.34	46.18	29.76	-16.42	36.05	23.11	-12.94	43.15	27.81	-15.34
PONDERA	HEART BUTTE ELEM	6.15	5.78	-0.37	15.26	14.34	-0.92	5.16	4.83	-0.34	6.15	5.78	-0.37
PONDERA	MIAMI ELEM	29.75	26.18	-3.57	56.90	50.07	-6.83	25.25	22.10	-3.15	29.75	26.18	-3.57
PONDERA	VALIER ELEM	41.01	39.39	-1.63	54.47	52.31	-2.16	35.38	33.80	-1.58	41.01	39.39	-1.63
PONDERA	VALIER H S	31.72	22.91	-8.82	41.21	29.76	-11.45	27.88	20.03	-7.85	31.72	22.91	-8.82
POWDER RIVER	BELLE CREEK EL	0.00	0.00	0.00	22.76	22.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00
POWDER RIVER	BIDDLE ELEM	25.65	23.25	-2.40	45.22	40.99	-4.23	24.91	22.46	-2.45	25.65	23.25	-2.40
POWDER RIVER	BILLUP ELEM	26.29	20.13	-6.16	68.91	52.75	-16.15	26.50	16.85	-9.65	26.29	20.13	-6.16
POWDER RIVER	BROADUS ELEM	21.32	19.19	-2.13	58.61	52.75	-5.86	21.53	19.28	-2.25	21.32	19.19	-2.13
POWDER RIVER	HORKAN CRK ELEM	34.61	21.65	-12.96	69.10	43.23	-25.87	29.26	18.21	-11.05	34.61	21.65	-12.96
POWDER RIVER	POWDER RVR CO DIST HS	0.00	0.00	0.00	34.78	29.76	-5.03	10.57	9.00	-1.57	0.00	0.00	0.00
POWDER RIVER	SO STACEY ELEM	36.24	22.98	-13.26	83.19	52.75	-30.44	33.14	19.27	-13.88	36.24	22.98	-13.26
POWELL	AVON ELEM	14.09	14.09	0.00	20.33	20.33	0.00	14.69	14.69	0.00	14.09	14.09	0.00
POWELL	DEER LODGE ELEM	31.86	31.37	-0.49	53.57	52.75	-0.82	28.69	28.10	-0.59	31.86	31.37	-0.49
POWELL	ELLISTON ELEM	37.18	37.18	0.00	40.39	40.39	0.00	37.94	37.11	-0.83	37.18	37.18	0.00
POWELL	GARRISON ELEM	0.00	0.00	0.00	26.33	26.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
POWELL	GOLD CREEK ELEM	0.00	0.00	0.00	14.46	14.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00
POWELL	HELMVILLE ELEM	30.20	30.20	0.00	43.15	43.15	0.00	30.61	30.61	0.00	30.20	30.20	0.00
POWELL	OVANDO ELEM	45.79	40.30	-5.50	58.31	51.31	-7.00	40.09	35.10	-5.00	45.79	40.30	-5.50
POWELL	POWELL CO H S	17.41	17.26	-0.15	30.01	29.76	-0.26	15.85	15.64	-0.22	17.41	17.26	-0.15
PRAIRIE	TERRY ELEM	10.45	9.41	-1.04	58.56	52.75	-5.81	10.28	9.22	-1.07	10.45	9.41	-1.04
PRAIRIE	TERRY H S	13.03	10.00	-3.03	38.76	29.76	-9.01	11.80	9.01	-2.79	13.03	10.00	-3.03
RAVALLI	CORVALLIS ELEM	46.36	44.81	-1.55	51.83	50.10	-1.73	39.98	38.45	-1.53	46.36	44.81	-1.55

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SPECIAL ED ANB NOT INCLUDED

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				FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO			KADAS NON LEVY AMENDMENT			COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM		
										1000 STOP LOSS	800 STOP LOSS	
		HB667 MILLS	HB667 MILLS		HB667 MILLS	HB667 MILLS		HB667 MILLS	HB667 MILLS	HB667 MILLS	HB667 MILLS	
		TO MAND. BUDG.	TO MAND. BUDG.		TO MAND. BUDG.	TO MAND. BUDG.		TO MAND. BUDG.	TO MAND. BUDG.	TO MAND. BUDG.	TO MAND. BUDG.	
COUNTY	DISTRICT	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE	CURRENT GTB	WEIGHTED GTB	DIFFERENCE
RAVALLI	CORVALLIS H S	19.28	19.03	-0.25	22.19	21.90	-0.29	16.58	16.28	-0.30	19.28	19.03	-0.25
RAVALLI	DARBY ELEM	42.68	40.16	-2.52	48.69	45.82	-2.87	37.35	34.97	-2.38	42.68	40.16	-2.52
RAVALLI	DARBY H S	23.17	20.80	-2.37	27.35	24.55	-2.80	20.15	17.99	-2.15	23.17	20.80	-2.37
RAVALLI	FLORENCE-CARLTON ELEM	40.82	39.81	-1.01	49.78	48.55	-1.23	34.78	33.75	-1.03	40.82	39.81	-1.01
RAVALLI	FLORENCE-CARLTON HS	22.20	20.10	-2.10	28.28	25.60	-2.68	19.12	17.22	-1.90	22.20	20.10	-2.10
RAVALLI	HAMILTON ELEM	24.10	23.71	-0.39	47.42	46.66	-0.77	22.31	21.83	-0.47	24.10	23.71	-0.39
RAVALLI	HAMILTON H S	10.64	11.03	0.39	21.45	22.23	0.78	9.85	10.15	0.31	10.64	11.03	0.39
RAVALLI	LONE ROCK ELEM	40.34	42.63	2.29	49.92	52.75	2.83	35.02	36.82	1.79	40.34	42.63	2.29
RAVALLI	STEVENSVILLE EL	32.74	31.80	-0.94	46.72	45.38	-1.34	28.60	27.63	-0.96	32.74	31.80	-0.94
RAVALLI	STEVENSVILLE HS	12.43	12.67	0.24	22.27	22.70	0.43	10.94	11.09	0.15	12.43	12.67	0.24
RAVALLI	VICTOR ELEM	39.27	36.50	-2.76	52.33	48.65	-3.68	35.74	33.05	-2.69	39.27	36.50	-2.76
RAVALLI	VICTOR H S	27.70	20.54	-7.16	38.18	28.32	-9.87	25.75	19.00	-6.75	27.70	20.54	-7.16
RICHLAND	BRORSON ELEM	0.00	0.00	0.00	26.97	26.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RICHLAND	FAIRVIEW ELEM	0.00	0.00	0.00	58.56	52.75	-5.81	16.46	14.75	-1.71	0.00	0.00	0.00
RICHLAND	FAIRVIEW H S	0.00	0.00	0.00	33.54	29.76	-3.78	0.00	0.00	0.00	0.00	0.00	0.00
RICHLAND	LAMBERT ELEM	0.00	0.00	0.00	62.97	52.75	-10.22	0.60	0.50	-0.10	0.00	0.00	0.00
RICHLAND	LAMBERT H S	0.00	0.00	0.00	54.00	29.76	-24.24	9.77	5.36	-4.42	0.00	0.00	0.00
RICHLAND	RAU ELEM	3.74	3.77	0.04	52.25	52.75	0.50	15.59	15.66	0.07	3.74	3.77	0.04
RICHLAND	SAVAGE ELEM	33.03	29.40	-3.63	55.97	49.82	-6.15	40.46	35.82	-4.63	33.03	29.40	-3.63
RICHLAND	SAVAGE H S	8.32	4.21	-4.11	58.83	29.76	-29.07	30.58	15.39	-15.19	8.32	4.21	-4.11
RICHLAND	SIDNEY ELEM	10.56	10.51	-0.06	53.03	52.75	-0.28	21.75	21.52	-0.23	10.56	10.51	-0.06
RICHLAND	SIDNEY H S	6.93	7.35	0.42	28.05	29.76	1.71	17.41	18.38	0.96	6.93	7.35	0.42
ROOSEVELT	BAINVILLE ELEM	0.00	0.00	0.00	30.90	30.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	BAINVILLE H S	0.00	0.00	0.00	45.61	29.76	-15.86	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	BROCKTON ELEM	57.74	49.66	-8.08	61.34	52.75	-8.58	48.44	41.45	-6.99	57.74	49.66	-8.08
ROOSEVELT	BROCKTON H S	45.39	27.05	-18.33	48.58	28.96	-19.62	38.03	22.55	-15.48	45.39	27.05	-18.33
ROOSEVELT	CULBERTSON ELEM	27.07	25.58	-1.49	55.82	52.75	-3.07	28.06	26.38	-1.68	27.07	25.58	-1.49
ROOSEVELT	CULBERTSON H S	14.57	11.18	-3.38	38.76	29.76	-9.01	17.12	13.07	-4.05	14.57	11.18	-3.38
ROOSEVELT	FROID ELEM	8.84	7.40	-1.44	63.04	52.75	-10.29	20.91	17.40	-3.50	8.84	7.40	-1.44
ROOSEVELT	FROID H S	19.82	11.06	-8.76	53.33	29.76	-23.58	24.81	13.77	-11.04	19.82	11.06	-8.76
ROOSEVELT	FRONTIER ELEM	0.00	0.00	0.00	58.86	52.75	-6.11	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	POPLAR ELEM	0.00	0.00	0.00	52.31	52.75	0.44	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	POPLAR H S	0.00	0.00	0.00	32.61	29.76	-2.85	0.00	0.00	0.00	0.00	0.00	0.00
ROOSEVELT	WOLF POINT ELEM	23.63	23.68	0.06	46.48	46.59	0.11	21.73	21.67	-0.06	23.63	23.68	0.06
ROOSEVELT	WOLF POINT H S	0.00	0.00	0.00	29.85	29.76	-0.10	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	ASHLAND ELEM	29.23	25.05	-4.18	50.47	43.25	-7.22	26.50	22.59	-3.91	29.23	25.05	-4.18
ROSEBUD	BIRNEY ELEM	15.21	12.49	-2.72	64.22	52.75	-11.47	16.84	13.77	-3.08	15.21	12.49	-2.72
ROSEBUD	COLSTRIP ELEM	0.00	0.00	0.00	8.78	8.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	COLSTRIP H S	0.00	0.00	0.00	5.78	5.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ROSEBUD	FORSYTH ELEM	28.08	26.75	-1.33	55.38	52.75	-2.63	25.53	24.20	-1.34	28.08	26.75	-1.33
ROSEBUD	FORSYTH H S	6.47	6.19	-0.28	26.02	24.88	-1.14	9.61	9.14	-0.47	6.47	6.19	-0.28

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. CURRENT GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 1000 STOP LOSS HB667 MILLS TO MAND. BUDG. CURRENT GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 800 STOP LOSS HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
ROSEBUD	LAME DEER ELEM	46.71	46.75	0.03	52.71	52.75	0.04	39.84	39.66	-0.18	46.71	46.75	0.03
ROSEBUD	ROCK SPRING ELEM	3.98	3.98	0.00	13.35	13.35	0.00	4.11	4.11	0.00	3.98	3.98	0.00
ROSEBUD	ROSEBUD ELEM	40.44	34.21	-6.23	62.37	52.75	-9.61	35.86	30.18	-5.68	40.44	34.21	-6.23
ROSEBUD	ROSEBUD H S	21.84	13.45	-8.39	48.32	29.76	-18.57	24.14	12.35	-11.79	21.84	13.45	-8.39
SANDERS	CAMAS PRAIRIE ELEM	7.23	7.23	0.00	21.25	21.25	0.00	7.25	7.25	0.00	7.23	7.23	0.00
SANDERS	DIXON ELEM	43.51	42.61	-0.90	53.87	52.75	-1.12	36.33	35.40	-0.94	43.51	42.61	-0.90
SANDERS	HOT SPRINGS ELEM	47.83	41.88	-5.96	59.72	52.28	-7.44	40.78	35.52	-5.26	47.83	41.88	-5.96
SANDERS	HOT SPRINGS H S	30.31	21.68	-8.64	40.70	29.10	-11.60	25.90	18.43	-7.48	30.31	21.68	-8.64
SANDERS	NOXON ELEM	39.77	39.77	0.00	44.79	44.79	0.00	40.50	39.62	-0.87	39.77	39.77	0.00
SANDERS	NOXON H S	18.30	18.30	0.00	19.51	19.51	0.00	18.51	18.51	0.00	18.30	18.30	0.00
SANDERS	PARADISE ELEM	49.80	48.87	-0.93	53.76	52.75	-1.01	43.04	42.01	-1.02	49.80	48.87	-0.93
SANDERS	PLAINS ELEM	33.23	31.06	-2.17	52.21	48.80	-3.41	29.61	27.53	-2.08	33.23	31.06	-2.17
SANDERS	PLAINS H S	21.34	19.16	-2.18	32.70	29.36	-3.34	18.74	16.74	-2.00	21.34	19.16	-2.18
SANDERS	THOMPSON FALLS ELEM	44.70	42.64	-2.06	51.45	49.08	-2.37	38.97	36.98	-1.99	44.70	42.64	-2.06
SANDERS	THOMPSON FALLS H S	23.72	21.98	-1.74	26.50	24.55	-1.95	20.46	18.86	-1.60	23.72	21.98	-1.74
SANDERS	TROUT CRK ELEM	8.19	8.19	0.00	29.25	29.25	0.00	9.17	9.17	0.00	8.19	8.19	0.00
SHERIDAN	HIAWATHA ELEM	0.00	0.00	0.00	59.39	52.75	-6.64	0.00	0.00	0.00	0.00	0.00	0.00
SHERIDAN	MEDICINE LK EL	0.00	0.00	0.00	59.33	52.75	-6.58	5.54	4.90	-0.64	0.00	0.00	0.00
SHERIDAN	MEDICINE LK H S	0.00	0.00	0.00	40.30	29.76	-10.54	16.18	11.89	-4.29	0.00	0.00	0.00
SHERIDAN	OUTLOOK ELEM	0.00	0.00	0.00	73.55	52.75	-20.80	1.58	1.13	-0.45	0.00	0.00	0.00
SHERIDAN	OUTLOOK H S	0.00	0.00	0.00	72.22	29.76	-42.46	18.17	7.45	-10.72	0.00	0.00	0.00
SHERIDAN	PLENTYWOOD ELEM	37.12	35.53	-1.58	55.10	52.75	-2.35	38.56	36.72	-1.83	37.12	35.53	-1.58
SHERIDAN	PLENTYWOOD H S	13.92	12.45	-1.47	33.27	29.76	-3.52	20.08	17.87	-2.22	13.92	12.45	-1.47
SHERIDAN	WESTBY ELEM	0.00	0.00	0.00	64.31	52.75	-11.56	0.00	0.00	0.00	0.00	0.00	0.00
SHERIDAN	WESTBY H S	0.00	0.00	0.00	57.91	29.76	-28.15	0.00	0.00	0.00	0.00	0.00	0.00
SILVER BOW	BUTTE ELEM	38.32	40.79	2.46	49.57	52.75	3.18	34.73	36.77	2.04	38.32	40.79	2.46
SILVER BOW	BUTTE H S	18.29	21.17	2.88	25.71	29.76	4.05	16.74	19.27	2.54	18.29	21.24	2.95
SILVER BOW	DIVIDE ELEM	51.72	45.35	-6.37	58.84	51.60	-7.25	49.23	38.09	-11.14	51.72	45.35	-6.37
SILVER BOW	MELROSE ELEM	23.47	20.47	-3.00	60.49	52.75	-7.74	24.09	20.90	-3.19	23.47	20.47	-3.00
SILVER BOW	RAMSAY ELEM	33.56	33.56	0.00	38.58	38.58	0.00	34.00	34.00	0.00	33.56	33.56	0.00
STILLWATER	ABSAROKEE ELEM	35.89	33.47	-2.42	56.57	52.75	-3.82	31.17	28.92	-2.25	35.89	33.47	-2.42
STILLWATER	ABSAROKEE H S	19.75	16.86	-2.88	29.18	24.92	-4.26	17.25	14.66	-2.60	19.75	16.86	-2.88
STILLWATER	COLUMBUS ELEM	41.16	39.95	-1.21	49.68	48.22	-1.46	35.96	34.72	-1.24	41.16	39.95	-1.21
STILLWATER	COLUMBUS H S	22.90	19.93	-2.97	30.60	26.63	-3.97	20.12	17.42	-2.70	22.90	19.93	-2.97
STILLWATER	FISHTAIL ELEM	10.37	10.37	0.00	18.96	18.96	0.00	10.49	10.49	0.00	10.37	10.37	0.00
STILLWATER	MOLT ELEM	0.00	0.00	0.00	23.82	23.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STILLWATER	NYE ELEM	28.32	28.32	0.00	34.65	34.65	0.00	29.33	29.33	0.00	28.32	28.32	0.00
STILLWATER	PARK CITY ELEM	24.64	22.81	-1.82	51.00	47.23	-3.77	20.81	19.17	-1.64	24.64	22.81	-1.82
STILLWATER	PARK CITY H S	17.31	14.37	-2.94	29.53	24.51	-5.02	15.20	12.55	-2.65	17.31	14.37	-2.94
STILLWATER	RAPELJE ELEM	0.00	0.00	0.00	37.70	37.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STILLWATER	RAPELJE H S	14.33	11.46	-2.87	37.22	29.76	-7.46	16.20	10.76	-5.44	14.33	11.46	-2.87

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										1000 STOP LOSS	800 STOP LOSS	
COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE
STILLWATER	REEDPOINT ELEM	21.60	19.15	-2.45	59.49	52.75	-6.74	23.36	17.20	-6.15	21.60	19.15	-2.45
STILLWATER	REEDPOINT H S	25.42	10.85	-14.57	52.40	22.36	-30.04	25.14	9.45	-15.69	25.42	10.85	-14.57
SWEET GRASS	BIG TIMBER ELEM	40.35	38.09	-2.26	52.30	49.37	-2.93	34.86	32.74	-2.12	40.35	38.09	-2.26
SWEET GRASS	BRIDGE ELEM	7.68	7.68	0.00	16.21	16.21	0.00	8.08	8.08	0.00	7.68	7.68	0.00
SWEET GRASS	GREYCLIFF ELEM	15.35	15.35	0.00	44.46	44.46	0.00	15.52	13.90	-1.62	15.35	15.35	0.00
SWEET GRASS	MCLEOD ELEM	0.00	0.00	0.00	28.91	28.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SWEET GRASS	MELVILLE ELEM	23.36	23.36	0.00	33.30	33.30	0.00	23.95	23.95	0.00	23.36	23.36	0.00
SWEET GRASS	SWEET GRASS CO HS	28.40	26.44	-1.97	31.97	29.76	-2.21	24.95	23.10	-1.85	28.40	26.44	-1.97
TETON	BYNUM ELEM	15.09	14.29	-0.80	41.45	39.25	-2.20	13.10	12.34	-0.76	15.09	14.29	-0.80
TETON	CHOTEAU ELEM	44.31	42.33	-1.98	54.50	52.06	-2.44	38.72	36.80	-1.93	44.31	42.33	-1.98
TETON	CHOTEAU H S	20.99	18.67	-2.32	33.45	29.76	-3.69	20.86	18.47	-2.40	20.99	18.67	-2.32
TETON	DUTTON ELEM	26.81	26.81	0.00	46.72	46.72	0.00	28.65	26.87	-1.78	26.81	26.81	0.00
TETON	DUTTON H S	23.25	18.26	-4.99	37.89	29.76	-8.14	25.24	16.47	-8.78	23.25	18.26	-4.99
TETON	FAIRFIELD ELEM	30.99	28.18	-2.81	58.02	52.75	-5.27	26.57	24.03	-2.54	30.99	28.18	-2.81
TETON	FAIRFIELD H S	20.23	17.52	-2.71	31.26	27.07	-4.19	17.43	15.02	-2.41	20.23	17.52	-2.71
TETON	GOLDEN RIDGE ELEM	25.48	23.62	-1.86	41.34	38.32	-3.02	21.34	19.68	-1.66	25.48	23.62	-1.86
TETON	GREENFIELD ELEM	40.24	31.98	-8.26	66.38	52.75	-13.63	35.36	27.96	-7.40	40.24	31.98	-8.26
TETON	PENDROY ELEM	5.62	5.62	0.00	21.99	21.99	0.00	11.68	11.68	0.00	5.62	5.62	0.00
TETON	POWER ELEM	53.85	46.87	-6.98	60.61	52.75	-7.86	46.00	39.83	-6.17	53.85	46.87	-6.98
TETON	POWER H S	40.91	24.86	-16.05	47.58	28.91	-18.67	35.20	21.28	-13.92	40.91	24.86	-16.05
TOOLE	GALATA ELEM	0.00	0.00	0.00	9.20	9.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOOLE	SHELBY ELEM	25.10	24.28	-0.82	54.53	52.75	-1.78	25.97	25.00	-0.98	25.10	24.28	-0.82
TOOLE	SHELBY H S	3.16	2.96	-0.20	31.77	29.76	-2.02	7.40	6.89	-0.51	3.16	2.96	-0.20
TOOLE	SUNBURST ELEM	3.98	3.67	-0.30	57.09	52.75	-4.33	24.36	22.39	-1.97	3.98	3.67	-0.30
TOOLE	SUNBURST H S	6.22	4.90	-1.33	37.82	29.76	-8.07	15.67	12.21	-3.46	6.22	4.90	-1.33
TREASURE	HYSHAM ELEM	34.60	34.60	0.00	42.43	42.43	0.00	35.64	35.64	0.00	34.60	34.60	0.00
TREASURE	HYSHAM H S	26.52	21.79	-4.73	36.22	29.76	-6.46	27.83	18.99	-8.84	26.52	21.79	-4.73
VALLEY	FRAZER ELEM	44.72	39.77	-4.96	57.83	51.42	-6.41	37.61	33.27	-4.34	44.72	39.77	-4.96
VALLEY	FRAZER H S	32.48	22.99	-9.50	35.55	25.16	-10.39	33.10	19.46	-13.64	32.48	22.99	-9.50
VALLEY	FT PECK ELEM	0.00	0.00	0.00	63.30	52.75	-10.55	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	GLASGOW ELEM	35.60	35.27	-0.33	53.25	52.75	-0.50	33.40	32.92	-0.48	35.60	35.27	-0.33
VALLEY	GLASGOW H S	15.55	15.32	-0.23	30.20	29.76	-0.44	15.79	15.48	-0.31	15.55	15.32	-0.23
VALLEY	HINSDALE ELEM	0.98	0.98	0.00	31.44	31.44	0.00	4.03	4.03	0.00	0.98	0.98	0.00
VALLEY	HINSDALE H S	0.00	0.00	0.00	30.87	29.76	-1.11	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	LUSTRE ELEM	0.00	0.00	0.00	35.90	35.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
VALLEY	NASHUA ELEM	51.62	44.91	-6.72	60.64	52.75	-7.89	44.39	38.42	-5.97	51.62	44.91	-6.72
VALLEY	NASHUA H S	31.99	22.16	-9.83	42.96	29.76	-13.20	27.74	19.12	-8.63	31.99	22.16	-9.83
VALLEY	OPHEIM ELEM	3.56	3.56	0.00	42.46	42.46	0.00	4.69	4.69	0.00	3.56	3.56	0.00
VALLEY	OPHEIM H S	3.59	2.58	-1.01	41.35	29.76	-11.59	4.57	2.73	-1.84	3.59	2.58	-1.01
WHEATLAND	HARLOWTON ELEM	38.40	34.71	-3.69	55.65	50.31	-5.34	33.60	30.22	-3.38	38.40	34.71	-3.69
WHEATLAND	HARLOWTON H S	23.22	18.87	-4.35	36.62	29.76	-6.87	20.74	16.77	-3.98	23.22	18.87	-4.35

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	HB667 MILLS TO MAND. BUDG. CURRENT GTB	HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	DIFFERENCE	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. CURRENT GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	FUND BALANCE REAPPROPRIATED AND NON LEVY AT ZERO: DIFFERENCE	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. CURRENT GTB	KADAS NON LEVY AMENDMENT: HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	KADAS NON LEVY AMENDMENT: DIFFERENCE	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 1000 STOP LOSS HB667 MILLS TO MAND. BUDG. CURRENT GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: 800 STOP LOSS HB667 MILLS TO MAND. BUDG. WEIGHTED GTB	COMBINED EFFECT OF CHANGE IN STOP LOSS AND GTB SYSTEM: DIFFERENCE
WHEATLAND	JUDITH GAP ELEM	54.27	45.83	-8.44	59.98	50.66	-9.32	45.60	38.31	-7.29	54.27	45.83	-8.44
WHEATLAND	JUDITH GAP H S	45.00	21.22	-23.79	56.34	26.56	-29.77	37.59	17.63	-19.96	45.00	21.22	-23.79
WHEATLAND	SHAWMUT ELEM	0.00	0.00	0.00	47.51	43.64	-3.87	0.00	0.00	0.00	0.00	0.00	0.00
WHEATLAND	TWO DOT ELEM	1.90	1.90	0.00	6.18	6.18	0.00	1.99	1.99	0.00	1.90	1.90	0.00
WIBAUX	WIBAUX ELEM	0.00	0.00	0.00	58.96	52.75	-6.21	0.00	0.00	0.00	0.00	0.00	0.00
WIBAUX	WIBAUX H S	0.00	0.00	0.00	40.83	29.76	-11.07	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	BILLINGS ELEM	41.05	45.22	4.17	47.88	52.75	4.87	35.77	39.21	3.43	41.05	45.25	4.20
YELLOWSTONE	BILLINGS H S	19.65	23.81	4.16	23.95	29.02	5.07	17.09	20.60	3.51	19.65	23.08	3.43
YELLOWSTONE	BLUE CREEK ELEM	24.81	25.65	0.84	51.03	52.75	1.72	20.78	21.37	0.59	24.81	25.65	0.84
YELLOWSTONE	BROADVIEW ELEM	0.00	0.00	0.00	18.05	18.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	BROADVIEW H S	0.00	0.00	0.00	21.76	21.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	CANYON CRK ELEM	48.34	44.78	-3.56	52.10	48.27	-3.83	41.30	38.06	-3.24	48.34	44.78	-3.56
YELLOWSTONE	CUSTER ELEM	0.00	0.00	0.00	57.38	52.75	-4.63	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	CUSTER H S	0.00	0.00	0.00	60.84	29.76	-31.08	0.00	0.00	0.00	0.00	0.00	0.00
YELLOWSTONE	ELDER GROVE ELEM	43.77	40.32	-3.45	52.17	48.06	-4.11	37.20	34.09	-3.11	43.77	40.32	-3.45
YELLOWSTONE	ELYSIAN ELEM	18.03	18.03	0.00	23.65	23.65	0.00	18.43	18.43	0.00	18.03	18.03	0.00
YELLOWSTONE	HUNTLEY PROJ ELEM	41.20	40.04	-1.16	51.08	49.64	-1.44	35.29	34.12	-1.17	41.20	40.04	-1.16
YELLOWSTONE	HUNTLEY PROJ HS	23.04	21.13	-1.90	32.44	29.76	-2.68	19.86	18.13	-1.74	23.04	21.13	-1.90
YELLOWSTONE	INDEPENDENT ELEM	34.99	36.98	1.99	46.91	49.57	2.67	29.21	30.72	1.50	34.99	36.98	1.99
YELLOWSTONE	LAUREL ELEM	42.66	42.38	-0.28	53.10	52.75	-0.35	36.82	36.39	-0.43	42.66	42.38	-0.28
YELLOWSTONE	LAUREL H S	13.26	14.14	0.89	20.88	22.28	1.40	11.55	12.26	0.71	13.26	14.14	0.89
YELLOWSTONE	LOCKWOOD ELEM	39.51	39.86	0.36	48.93	49.37	0.44	33.58	33.71	0.13	39.51	39.86	0.36
YELLOWSTONE	MORIN ELEM	2.29	2.29	0.00	29.82	29.82	0.00	2.33	2.33	0.00	2.29	2.29	0.00
YELLOWSTONE	PIONEER ELEM	36.43	37.00	0.57	51.79	52.60	0.81	31.08	31.40	0.32	36.43	37.00	0.57
YELLOWSTONE	SHEPHERD ELEM	34.52	32.93	-1.59	37.35	35.63	-1.72	29.39	27.89	-1.50	34.52	32.93	-1.59
YELLOWSTONE	SHEPHERD H S	26.69	25.31	-1.37	31.37	29.76	-1.61	23.04	21.74	-1.30	26.69	25.31	-1.37

MEA FY93 GENERAL FUND DISPARITY RATIOS OF AUDITOR'S "RESTATED BUDGETS" 04/05

DISTRICT SIZE	FY93 ELEMENTARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO	SIZE	FY93 SECONDARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO
E1. <=9	3,577	8,013	4,436	2.24	S1. <=24	8,591	24,900	16,309	2.90
E2. 10-17	2,593	10,167	7,574	3.92	S2. 25-40	7,599	15,637	8,038	2.06
E3. 18-40	2,317	7,112	4,795	3.07	S3. 41-100	5,287	11,694	6,407	2.21
E4. 41-100	2,986	7,816	4,830	2.62	S4. 101-200	4,166	8,919	4,753	2.14
E5. 101-300	2,904	4,499	1,595	1.55	S5. 201-300	3,688	6,412	2,724	1.74
E6. >300	2,801	3,787	986	1.35	S6. 301-600	3,304	6,028	2,724	1.82
					S7. >600	3,542	5,218	1,676	1.47

FY94 "MINIMUM" = HB667 FORMULA DETERMINED MINIMUM, I.E. THE 80% TARGET LEVEL (ADJUSTED FOR 5TH %TILE)
FY94 "CAP" = FY93 GF$/ANB (-SP.ED-PL874) IF SAME IS GREATER THAN HB667 MINIMUM (ADJUSTED FOR 95TH %TILE)

MEA HB667 IN FY94 -- DISPARITY RATIOS* (1000 HS Stapleton) 04/05

DISTRICT SIZE	FY94 ELEMENTARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO	SIZE	FY94 SECONDARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO
E1. <=9	4,399	8,014	3,615	1.82	S1. <=24	10,582	24,900	14,318	2.35
E2. 10-17	3,646	10,167	6,521	2.79	S2. 25-40	8,237	15,637	7,400	1.90
E3. 18-40	3,209	7,112	3,903	2.22	S3. 41-100	5,604	11,694	6,090	2.09
E4. 41-100	3,002	7,816	4,814	2.60	S4. 101-200	4,706	8,919	4,213	1.90
E5. 101-300	3,162	4,499	1,337	1.42	S5. 201-300	4,416	6,412	1,996	1.45
E6. >300	2,971	3,787	816	1.27	S6. 301-600	4,087	6,028	1,941	1.47
					S7. >600	3,598	5,218	1,620	1.45

FY94 "MINIMUM" = HB667 FORMULA DETERMINED MINIMUM, I.E. THE 80% TARGET LEVEL (ADJUSTED FOR 5TH %TILE)
FY94 "CAP" = FY93 GF$/ANB (-SP.ED-PL874) IF SAME IS GREATER THAN HB667 MINIMUM (ADJUSTED FOR 95TH %TILE)

MEA HB667 + GUARANTEED ANNUAL BASE ADJUSTMENTS OF +4% BEGINNING FY95 04/05
DISPARITY RATIOS IN FISCAL YEAR 2000

DISTRICT SIZE	FY2000 ELEMENTARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO	SIZE	FY2000 SECONDARY: $/ANB MINIMUM 5TH %	CAP 95TH %	HB667 DIFFERENCE $	RATIO
E1. <=9	5,566	8,014	2,448	1.44	S1. <=24	13,390	24,900	11,510	1.86
E2. 10-17	4,613	10,167	5,554	2.20	S2. 25-40	10,422	15,637	5,215	1.50
E3. 18-40	4,060	7,112	3,052	1.75	S3. 41-100	7,091	11,694	4,603	1.65
E4. 41-100	3,798	7,816	4,018	2.06	S4. 101-200	5,955	8,919	2,964	1.50
E5. 101-300	4,001	4,499	498	1.12	S5. 201-300	5,588	6,412	824	1.15
E6. >300	3,759	3,787	28	1.01	S6. 301-600	5,171	6,028	857	1.17
					S7. >600	4,553	5,218	665	1.15

GUARANTEED ANNUAL BASE ADJUSTMENT = +4% PER YEAR TO FY94 MIMIMUM BEGINNING FY95 (6YRS ADJUSTMENTS=+26.5%)
FY2000 "CAP"=FY93 GF$/ANB (-SP.ED-PL874) IF SAME IS GREATER THAN HB667 MINIMUM (ADJUSTED FOR 95TH %TILE)

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HB667

HB667 - Special Education Issue

Problem: Districts with special education programs lose the current ability to provide additional special education funding through local permissive levies with GTB support.

Option 1: Increase state funding in HB667 to extend the permissive range structure to include a ratio of 65% state special education allowable cost payments, 25% permissive range with GTB support; and 10% local tax base.

10% $4.9M
25% $12.2M ($6.3M GTB)
65% $31.8M

TO IMPLEMENT: requires an additional $6.3M per year

Option 2: Revise the current GTB HB667 value to extend the permissive range for special education purposes using the ratios as stated in Option 1. to incorporate the current concept but redistribute the dollars in the permissive levy GTB support.

10% $4.9M
25% $12.2M ($5. M GTB)
65% $31.8M

TO IMPLEMENT: reduce GTB value from 195% to 179%

Option 3: Restructure special education funding ratios to reflect the HB667 ratios: 40%, 40%, 20%, thereby reducing direct state aid & increasing GTB permissive range.

20% $10.6 M
40% $21.3 M ($12.3 GTB)
40% $21.3 M

TO IMPLEMENT: reduce direct state special ed allowable cost payment by $10M, increase GTB aid to approximately $12.3 M

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OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,984,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,833,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	458	$1,853,089	$1,812,844	$1,832,975	$1,873,220	$20,131	-6.34	77.02%		
BEAVERHEAD	DILLON ELEM	1,048	$3,170,993	$3,029,658	$3,060,671	$3,202,006	$31,013	4.38	77.68%		
BEAVERHEAD	GRANT ELEM	26	$77,670	$77,670	$79,566	$79,566	$1,896	11.24	73.04%		
BEAVERHEAD	JACKSON ELEM	25	$76,774	$76,774	$78,289	$78,289	$1,516	14.67	74.25%		
BEAVERHEAD	LIMA ELEM	75	$299,565	$291,106	$291,106	$299,565	$0	34.15	81.20%		
BEAVERHEAD	LIMA H S	37	$284,223	$281,167	$285,888	$288,944	$4,721	15.93	75.24%		
BEAVERHEAD	POLARIS ELEM	12	$36,557	$36,557	$38,844	$38,844	$2,286	6.75	64.75%		
BEAVERHEAD	REICHLE ELEM	19	$71,667	$71,667	$71,667	$71,667	$0	17.61	84.85%	*	
BEAVERHEAD	WISDOM ELEM	45	$140,000	$140,000	$140,048	$140,048	$48	22.72	79.89%		
BEAVERHEAD	WISE RIVER ELEM	26	$77,796	$77,796	$79,666	$79,666	$1,870	16.84	73.13%	*	
BIG HORN	COMMUNITY ELEM	30	$87,716	$87,716	$89,839	$89,839	$2,123	8.97	73.09%	*	
BIG HORN	HARDIN ELEM	1,135	$4,793,690	$3,322,675	$3,339,264	$4,810,079	$16,389	9.03	83.99%	*	
BIG HORN	HARDIN H S	382	$2,719,397	$2,141,945	$2,141,945	$2,719,397	$0	8.59	104.08%	*	**
BIG HORN	LODGE GRASS ELEM	385	$2,751,602	$1,777,977	$1,777,977	$2,751,602	$0	0.00	110.61%	*	
BIG HORN	LODGE GRASS H S	153	$1,919,482	$1,392,922	$1,392,922	$1,919,482	$0	0.00	130.54%	*	
BIG HORN	PLENTY COUPS HS	42	$616,704	$315,433	$317,205	$618,476	$1,773	5.16	87.52%		
BIG HORN	PRYOR ELEM	42	$300,865	$185,799	$185,799	$300,865	$0	17.37	87.71%		
BIG HORN	SQUIRREL CRK ELEM	9	$70,006	$70,006	$70,006	$70,006	$0	1.23	141.45%	*	**
BIG HORN	WYOLA ELEM	54	$483,491	$229,057	$229,057	$483,491	$0	16.71	90.75%		
BLAINE	BEAR PAW ELEM	18	$70,888	$70,888	$70,888	$70,888	$0	19.90	87.55%		
BLAINE	CHINOOK ELEM	337	$1,220,000	$1,196,218	$1,196,218	$1,220,000	$0	17.43	88.28%		
BLAINE	CHINOOK H S	198	$1,090,000	$1,066,206	$1,066,206	$1,090,000	$0	6.56	92.04%		
BLAINE	CLEVELAND ELEM	13	$52,749	$52,749	$52,749	$52,749	$0	14.24	83.09%		
BLAINE	HARLEM ELEM	409	$2,000,000	$1,159,828	$1,180,820	$2,020,992	$20,992	5.30	83.47%	*	**
BLAINE	HARLEM H S	141	$1,085,320	$633,340	$648,426	$1,100,406	$15,086	9.74	82.25%		
BLAINE	HAYS-LODGE POLE ELEM	153	$1,054,223	$688,289	$688,289	$1,054,223	$0	-10.31	109.64%		
BLAINE	HAYS-LODGE POLE H S	72	$755,346	$386,798	$397,682	$766,230	$10,884	-5.23	83.28%		
BLAINE	LLOYD ELEM	4	$34,527	$34,527	$34,527	$34,527	$0	9.72	107.90%	*	**
BLAINE	N HARLEM COLONY ELEM	10	$37,024	$35,233	$36,665	$38,456	$1,432	-3.94	70.20%	*	
BLAINE	TURNER ELEM	66	$340,216	$337,530	$337,530	$340,216	$0	29.36	105.64%		
BLAINE	TURNER H S	32	$304,451	$304,451	$304,451	$304,451	$0	13.15	85.39%		
BLAINE	ZURICH ELEM	68	$207,188	$205,462	$205,462	$207,188	$0	16.39	80.53%	*	**
BROADWATER	BROADWATER CO HS	192	$804,056	$786,535	$811,869	$827,410	$23,354	5.71	72.13%		
BROADWATER	TOWNSEND ELEM	515	$1,375,000	$1,336,020	$1,394,262	$1,431,262	$56,262	16.24	69.44%		
CARBON	BELFRY ELEM	81	$650,000	$639,676	$639,676	$650,000	$0	43.10	169.14%	*	**
CARBON	BELFRY H S	49	$655,200	$655,200	$655,200	$655,200	$0	21.37	149.07%	*	**
CARBON	BOYD ELEM	11	$36,732	$34,890	$36,950	$38,793	$2,060	12.44	66.50%		
CARBON	BRIDGER ELEM	163	$620,131	$597,602	$597,602	$620,131	$0	17.59	86.14%	*	
CARBON	BRIDGER H S	74	$564,068	$548,002	$548,002	$564,068	$0	14.37	97.71%		
CARBON	EDGAR ELEM	19	$107,640	$107,640	$107,640	$107,640	$0	21.40	127.44%	*	**
CARBON	FROMBERG ELEM	110	$425,422	$411,333	$411,333	$425,422	$0	-0.73	81.32%		
CARBON	FROMBERG H S	60	$419,491	$416,124	$416,124	$419,491	$0	11.62	84.49%		
CARBON	JACKSON ELEM	17	$56,967	$56,967	$57,969	$57,969	$1,002	7.47	74.82%		
CARBON	JOLIET ELEM	214	$684,765	$669,284	$678,873	$694,354	$9,589	11.77	76.13%		
CARBON	JOLIET H S	128	$607,995	$597,161	$609,430	$620,264	$12,270	2.73	74.37%		
CARBON	LUTHER ELEM	22	$75,063	$73,789	$74,224	$75,497	$435	24.56	78.46%	*	
CARBON	RED LODGE ELEM	392	$1,157,663	$1,122,677	$1,146,214	$1,181,200	$23,537	8.69	74.50%		
CARBON	RED LODGE H S	177	$775,047	$751,745	$770,918	$794,220	$19,173	3.12	73.35%		
CARBON	ROBERTS ELEM	81	$322,563	$316,716	$317,294	$323,141	$578	15.34	79.72%	*	
CARBON	ROBERTS H S	43	$316,347	$315,035	$317,668	$318,980	$2,633	13.89	77.50%	*	

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CARTER	ALBION ELEM	10	$33,448	$33,448	$35,237	$35,237	$1,789	8.46	66.50%	*	**
CARTER	ALZADA ELEM	16	$57,676	$57,676	$57,977	$57,977	$301	3.09	78.37%		
CARTER	CARTER CO H S	50	$498,500	$494,514	$494,514	$498,500	$0	-11.90	111.18%	*	
CARTER	EKALAKA ELEM	84	$454,272	$454,253	$454,253	$454,272	$0	21.23	120.91%	*	
CARTER	HAMMOND-HAWKS HOME	22	$75,200	$75,200	$75,353	$75,353	$153	26.35	79.36%	*	
CARTER	JOHNSTON ELEM	5	$23,646	$23,646	$24,596	$24,596	$950	20.09	69.29%		
CARTER	PINE HILL-PLAINVW EL	13	$44,000	$44,000	$45,358	$45,358	$1,358	6.17	71.45%	*	**
CARTER	RIDGE ELEM	4	$27,193	$27,193	$27,193	$27,193	$0	73.37	84.98%	*	
CASCADE	BELT ELEM	232	$811,470	$787,386	$787,386	$811,470	$0	15.69	83.25%		
CASCADE	BELT H S	91	$640,957	$615,786	$615,786	$640,957	$0	5.13	95.80%		
CASCADE	CASCADE ELEM	220	$700,876	$679,381	$687,203	$708,698	$7,822	0.66	77.07%		
CASCADE	CASCADE H S	125	$666,174	$646,681	$646,724	$668,217	$44	0.92	80.50%		
CASCADE	CENTERVILLE EL	243	$832,346	$795,443	$795,443	$832,346	$0	-4.45	81.31%		
CASCADE	CENTERVILLE H S	93	$517,677	$505,398	$508,888	$521,167	$3,490	-3.99	78.27%		
CASCADE	DEEP CREEK ELEM	6	$41,310	$41,310	$41,310	$41,310	$0	38.62	105.93%	*	**
CASCADE	GREAT FALLS EL	8,904	$29,651,889	$26,788,837	$26,788,837	$29,651,889	$0	-2.33	86.31%		
CASCADE	GREAT FALLS H S	3,321	$15,756,700	$14,398,964	$14,398,964	$15,756,700	$0	-9.59	95.96%		
CASCADE	SIMMS H S	149	$809,195	$787,952	$787,952	$809,195	$0	-13.20	85.55%		
CASCADE	SUN RIVER VALLEY ELM	268	$1,010,994	$971,673	$971,673	$1,010,994	$0	57.31	96.12%		
CASCADE	ULM ELEM	102	$382,388	$365,181	$365,181	$382,388	$0	32.38	89.01%		
CASCADE	VAUGHN ELEM	179	$613,972	$587,169	$587,953	$614,756	$784	-6.93	80.29%		
CHOTEAU	BIG SANDY ELEM	181	$792,742	$776,594	$776,594	$792,742	$0	18.47	102.48%	*	
CHOTEAU	BIG SANDY H S	90	$713,979	$691,843	$691,843	$713,979	$0	15.02	107.99%	*	
CHOTEAU	CARTER ELEM	7	$55,435	$55,435	$55,435	$55,435	$0	3.43	130.45%	*	**
CHOTEAU	FT BENTON ELEM	365	$1,275,450	$1,240,861	$1,240,861	$1,275,450	$0	-7.65	85.41%		
CHOTEAU	FT BENTON H S	176	$948,825	$930,645	$930,645	$948,825	$0	2.68	88.44%		
CHOTEAU	GERALDINE ELEM	118	$588,483	$576,974	$576,974	$588,483	$0	11.76	114.91%	*	**
CHOTEAU	GERALDINE H S	43	$502,850	$502,850	$502,850	$502,850	$0	9.66	122.57%	*	**
CHOTEAU	HIGHWOOD ELEM	93	$580,309	$565,458	$565,458	$580,309	$0	33.65	138.78%	*	
CHOTEAU	HIGHWOOD H S	48	$410,130	$405,264	$405,264	$410,130	$0	-0.81	93.32%	*	
CHOTEAU	KNEES ELEM	9	$54,080	$50,296	$50,296	$54,080	$0	6.66	101.51%	*	**
CHOTEAU	LOMA ELEM	10	$51,886	$51,886	$51,886	$51,886	$0	-3.19	97.91%	*	
CHOTEAU	WARRICK ELEM	5	$39,335	$39,335	$39,335	$39,335	$0	10.78	110.81%	*	**
CUSTER	COTTONWOOD EL	20	$88,420	$88,420	$88,420	$88,420	$0	72.45	100.52%	*	
CUSTER	CUSTER CO H S	627	$2,778,753	$2,643,062	$2,643,062	$2,778,753	$0	-16.04	83.95%		
CUSTER	HKT-BASIN SPR CRK EL	9	$32,189	$32,189	$33,670	$33,670	$1,481	9.52	68.03%		
CUSTER	KINSEY ELEM	43	$140,638	$137,256	$137,256	$140,638	$0	20.30	81.91%	*	
CUSTER	KIRCHER ELEM	47	$153,922	$149,629	$149,629	$153,922	$0	20.29	82.50%	*	**
CUSTER	MILES CITY ELEM	1,320	$4,297,114	$3,993,041	$3,994,427	$4,298,500	$1,386	-16.87	81.04%		
CUSTER	MOON CREEK EL	13	$32,000	$32,000	$35,758	$35,758	$3,758	6.07	56.32%		
CUSTER	S H-FOSTER CRK ELEM	8	$32,847	$32,847	$33,637	$33,637	$790	17.10	73.13%		
CUSTER	S Y ELEM	10	$26,500	$26,500	$29,679	$29,679	$3,179	15.69	56.01%		
CUSTER	TRAIL CREEK EL	11	$32,144	$32,144	$34,753	$34,753	$2,609	5.78	61.52%		
CUSTER	TWIN BUTTES EL	4	$32,022	$32,022	$32,022	$32,022	$0	32.33	100.07%	*	**
CUSTER	WHITNEY CRK EL	6	$30,000	$30,000	$30,240	$30,240	$240	37.28	77.54%	*	**
DANIELS	FLAXVILLE ELEM	39	$282,836	$277,350	$277,350	$282,836	$0	25.59	124.81%	*	**
DANIELS	FLAXVILLE H S	31	$294,925	$293,573	$293,573	$294,925	$0	4.38	83.54%	*	**
DANIELS	PEERLESS ELEM	47	$367,887	$357,022	$357,022	$367,887	$0	37.67	132.54%	*	**
DANIELS	PEERLESS H S	30	$364,495	$359,839	$359,839	$364,495	$0	6.42	103.72%	*	**
DANIELS	SCOBEY ELEM	232	$978,317	$951,117	$951,117	$978,317	$0	10.73	101.87%	*	**

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DANIELS	SCOBEY H S	97	$787,365	$773,932	$773,932	$787,365	$0	14.88	114.71%	*	**
DAWSON	BLOOMFIELD ELEM	25	$81,120	$81,120	$81,766	$81,766	$646	11.25	77.55%	*	**
DAWSON	DAWSON CO H S	516	$2,619,850	$2,397,688	$2,397,688	$2,619,850	$0	-17.50	90.84%		
DAWSON	DEER CREEK ELEM	23	$86,868	$83,277	$83,277	$86,868	$0	3.90	85.42%	*	**
DAWSON	GLENDIVE ELEM	1,179	$3,838,614	$3,495,278	$3,509,611	$3,852,947	$14,333	-3.44	80.24%		
DAWSON	LINDSAY ELEM	16	$75,712	$75,712	$75,712	$75,712	$0	8.62	102.35%	*	**
DAWSON	RICHEY ELEM	71	$444,454	$437,716	$437,716	$444,454	$0	38.14	124.81%	*	**
DAWSON	RICHEY H S	47	$410,155	$410,155	$410,155	$410,155	$0	16.55	95.44%	*	
DEER LODGE	ANACONDA ELEM	1,096	$3,910,175	$3,567,928	$3,567,928	$3,910,175	$0	6.46	86.26%	*	
DEER LODGE	ANACONDA H S	539	$2,618,508	$2,406,394	$2,406,394	$2,618,508	$0	1.85	87.91%	*	**
FALLON	BAKER ELEM	415	$1,815,031	$1,760,944	$1,760,944	$1,815,031	$0	18.42	108.68%		
FALLON	BAKER H S	165	$1,492,474	$1,471,612	$1,471,612	$1,492,474	$0	-2.44	145.95%		
FALLON	FERTILE PRAIRIE EL	10	$40,926	$40,926	$41,220	$41,220	$293	0.00	77.79%		
FALLON	PLEVNA ELEM	94	$649,911	$625,151	$625,151	$649,911	$0	0.21	149.57%	*	
FALLON	PLEVNA H S	41	$512,415	$512,415	$512,415	$512,415	$0	4.31	127.95%	*	
FERGUS	AYERS ELEM	9	$33,280	$33,280	$34,543	$34,543	$1,263	9.50	69.79%	*	
FERGUS	COTTONWOOD ELEM	6	$28,746	$28,746	$29,236	$29,236	$490	43.19	74.97%	*	**
FERGUS	DEERFIELD ELEM	15	$54,992	$54,992	$55,270	$55,270	$278	20.49	78.42%	*	**
FERGUS	DENTON ELEM	126	$480,063	$473,425	$473,425	$480,063	$0	14.37	85.11%		
FERGUS	DENTON H S	53	$373,182	$366,663	$366,772	$373,291	$109	16.19	80.19%		
FERGUS	FERGUS H S	441	$1,855,057	$1,806,258	$1,814,989	$1,863,788	$8,731	-13.94	78.93%		
FERGUS	GRASS RANGE EL	96	$358,525	$346,949	$346,949	$358,525	$0	19.51	82.58%	*	**
FERGUS	GRASS RANGE H S	34	$369,795	$366,541	$366,541	$369,795	$0	13.25	100.06%	*	
FERGUS	KING COLONY EL	5	$31,987	$31,987	$31,987	$31,987	$0	11.71	90.11%	*	
FERGUS	LEWISTOWN ELEM	1,138	$3,516,805	$3,278,433	$3,315,605	$3,553,977	$37,172	0.71	77.79%		
FERGUS	MAIDEN ELEM	7	$37,856	$37,856	$37,856	$37,856	$0	6.24	89.08%	*	**
FERGUS	MOORE ELEM	99	$399,215	$393,566	$393,566	$399,215	$0	12.74	88.63%		
FERGUS	MOORE H S	56	$396,740	$391,091	$391,091	$396,740	$0	6.22	82.78%		
FERGUS	ROY ELEM	46	$309,173	$306,431	$306,431	$309,173	$0	11.87	141.12%	*	**
FERGUS	ROY H S	15	$373,507	$373,507	$373,507	$373,507	$0	14.23	136.59%	*	**
FERGUS	SPRING CRK COLONY EL	4	$31,987	$31,987	$31,987	$31,987	$0	73.07	99.96%		
FERGUS	WINIFRED ELEM	115	$495,988	$494,632	$494,632	$495,988	$0	24.25	98.33%	*	**
FERGUS	WINIFRED H S	42	$394,116	$392,760	$392,760	$394,116	$0	19.63	96.90%	*	**
FLATHEAD	BATAVIA ELEM	140	$558,109	$530,936	$530,936	$558,109	$0	56.50	88.45%		
FLATHEAD	BIGFORK ELEM	587	$1,774,445	$1,697,789	$1,726,930	$1,803,586	$29,141	3.68	75.75%		
FLATHEAD	BIGFORK H S	306	$1,137,382	$1,107,995	$1,154,567	$1,183,954	$46,572	0.60	69.42%		
FLATHEAD	CAYUSE PRAIRIE ELEM	257	$841,088	$802,554	$804,588	$843,122	$2,034	8.74	79.96%		
FLATHEAD	COLUMBIA FALLS ELEM	1,649	$5,165,132	$4,740,498	$4,779,294	$5,203,928	$38,796	4.81	78.93%		
FLATHEAD	COLUMBIA FALLS H S	764	$2,925,370	$2,789,187	$2,839,008	$2,975,191	$49,821	2.51	75.63%		
FLATHEAD	CRESTON ELEM	79	$260,213	$244,510	$244,510	$260,213	$0	5.14	84.05%		
FLATHEAD	DEER PARK ELEM	97	$379,244	$364,774	$364,774	$379,244	$0	57.03	86.82%		
FLATHEAD	EVERGREEN ELEM	716	$2,350,700	$2,148,460	$2,159,809	$2,362,049	$11,349	-9.81	79.83%		
FLATHEAD	FAIR-MONT-EGAN ELEM	146	$490,034	$474,931	$477,890	$492,993	$2,958	5.76	78.59%		
FLATHEAD	FLATHEAD H S	1,957	$7,613,591	$7,414,348	$7,414,348	$7,613,591	$0	-3.75	82.22%		
FLATHEAD	HELENA FLATS EL	199	$663,315	$636,533	$639,755	$666,537	$3,222	-7.09	79.11%	*	
FLATHEAD	KALISPELL ELEM	2,488	$8,298,957	$7,499,338	$7,499,338	$8,298,957	$0	5.89	83.08%		
FLATHEAD	KILA ELEM	105	$320,624	$304,964	$305,476	$321,136	$512	8.71	80.27%		
FLATHEAD	MARION ELEM	100	$397,923	$379,643	$379,643	$397,923	$0	19.02	86.57%	*	
FLATHEAD	OLNEY-BISSELL ELEM	96	$336,742	$318,730	$319,422	$337,434	$692	18.68	80.20%		
FLATHEAD	PLEASANT VALLEY ELEM	9	$33,318	$33,318	$34,573	$34,573	$1,255	5.13	69.86%		

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FLATHEAD	SOMERS ELEM	356	$1,139,945	$1,102,892	$1,105,699	$1,142,752	$2,807	15.33	79.73%		
FLATHEAD	SWAN RIVER EL	132	$481,410	$463,405	$463,405	$481,410	$0	36.26	86.30%	*	
FLATHEAD	WEST GLACIER ELEM	64	$256,743	$201,996	$201,996	$256,743	$0	14.05	86.64%	*	
FLATHEAD	WEST VALLEY EL	257	$796,511	$767,426	$779,542	$808,627	$12,116	2.58	75.99%		
FLATHEAD	WHITEFISH ELEM	1,185	$3,596,742	$3,376,904	$3,427,733	$3,647,571	$50,829	11.37	76.65%		
FLATHEAD	WHITEFISH H S	529	$2,136,036	$2,055,594	$2,080,038	$2,160,460	$24,445	-3.94	77.09%		
GALLATIN	AMSTERDAM ELEM	50	$176,311	$176,311	$176,311	$176,311	$0	18.84	91.47%		
GALLATIN	ANDERSON ELEM	153	$509,125	$489,948	$490,176	$509,353	$228	3.53	80.46%		
GALLATIN	BELGRADE ELEM	1,229	$3,730,655	$3,474,842	$3,520,009	$3,775,822	$45,167	3.80	77.35%		
GALLATIN	BELGRADE H S	426	$1,616,186	$1,522,884	$1,577,049	$1,670,351	$54,165	0.75	71.52%		
GALLATIN	BOZEMAN ELEM	3,138	$9,800,463	$9,230,640	$9,230,640	$9,800,463	$0	7.10	82.69%		
GALLATIN	BOZEMAN H S	1,309	$5,793,711	$5,622,775	$5,622,775	$5,793,711	$0	-0.93	90.80%		
GALLATIN	COTTONWOOD EL	11	$34,820	$34,820	$36,894	$36,894	$2,074	4.43	65.31%		
GALLATIN	GALLATIN GTWY ELEM	126	$425,136	$414,102	$414,102	$425,136	$0	7.33	80.43%		
GALLATIN	LA MOTTE ELEM	49	$151,696	$151,696	$151,696	$151,696	$0	14.98	80.15%		
GALLATIN	MALMBORG ELEM	8	$32,482	$32,482	$33,345	$33,345	$863	13.53	72.50%		
GALLATIN	MANHATTAN ELEM	365	$1,116,178	$1,063,075	$1,088,427	$1,141,530	$25,351	2.60	74.11%		
GALLATIN	MANHATTAN H S	177	$773,283	$747,814	$767,773	$793,242	$19,959	0.37	73.11%		
GALLATIN	MONFORTON EL	208	$710,535	$682,495	$684,521	$712,561	$2,026	6.88	79.72%		
GALLATIN	OPHIR ELEM	54	$185,808	$185,808	$185,808	$185,808	$0	7.81	89.89%		
GALLATIN	PASS CREEK ELEM	17	$44,084	$44,084	$47,663	$47,663	$3,579	25.80	61.52%	*	
GALLATIN	SPRINGHILL EL	14	$52,995	$52,995	$53,113	$53,113	$118	11.67	79.29%	*	
GALLATIN	THREE FORKS EL	264	$831,534	$796,960	$807,542	$842,116	$10,582	16.72	76.77%		
GALLATIN	THREE FORKS H S	120	$595,473	$593,019	$599,924	$602,378	$6,905	1.51	76.55%		
GALLATIN	W YELLOWSTONE ELEM	143	$634,843	$601,892	$601,892	$634,843	$0	13.96	99.06%		
GALLATIN	W YELLOWSTONE H S	71	$595,572	$582,737	$582,737	$595,572	$0	9.57	106.45%		
GALLATIN	WILLOW CREEK EL	34	$156,924	$150,467	$153,085	$159,542	$2,619	15.52	75.65%		
GALLATIN	WILLOW CREEK HS	16	$207,180	$203,810	$207,582	$210,952	$3,772	15.15	74.88%		
GARFIELD	BENZIEN ELEM	8	$28,646	$28,646	$30,276	$30,276	$1,630	29.85	65.83%	*	
GARFIELD	BIG DRY CREEK ELEM	6	$32,501	$32,501	$32,501	$32,501	$0	18.12	83.34%	*	**
GARFIELD	BLACKFOOT ELEM	7	$26,780	$26,780	$28,223	$28,223	$1,443	17.33	66.41%	*	
GARFIELD	COHAGEN ELEM	25	$78,959	$78,959	$80,038	$80,038	$1,079	20.49	75.91%	*	**
GARFIELD	GARFIELD CO H S	93	$534,793	$527,236	$527,236	$534,793	$0	7.09	80.89%		
GARFIELD	JORDAN ELEM	138	$492,433	$480,463	$480,846	$492,816	$383	14.66	80.14%		
GARFIELD	KESTER ELEM	6	$39,418	$39,418	$39,418	$39,418	$0	43.95	101.08%	*	**
GARFIELD	PINE GROVE ELEM	10	$27,089	$27,089	$30,150	$30,150	$3,061	14.25	56.90%		
GARFIELD	ROSS ELEM	4	$27,750	$27,750	$27,750	$27,750	$0	100.25	86.72%		
GARFIELD	SAND SPRINGS EL	6	$28,646	$28,646	$29,156	$29,156	$510	11.30	74.77%	*	
GARFIELD	VAN NORMAN ELEM	18	$55,953	$55,953	$57,718	$57,718	$1,765	25.80	71.28%		
GLACIER	BROWNING ELEM	1,445	$10,000,000	$4,131,521	$4,163,423	$10,031,902	$31,902	6.56	89.31%	*	
GLACIER	BROWNING H S	340	$4,000,000	$1,231,785	$1,279,378	$4,047,593	$47,593	-0.60	87.89%	*	**
GLACIER	CUT BANK ELEM	733	$2,764,443	$2,220,174	$2,227,853	$2,772,122	$7,679	-2.00	82.32%	*	
GLACIER	CUT BANK H S	265	$1,875,897	$1,349,545	$1,349,545	$1,875,897	$0	-14.29	93.45%	*	
GLACIER	E GLACIER PARK ELEM	57	$354,003	$225,935	$225,935	$354,003	$0	-24.27	102.54%	*	**
GLACIER	MOUNTAIN VIEW ELEMENTA	24	$75,150	$75,150	$76,432	$76,432	$1,281	14.16	74.97%	*	
GOLDEN VALLEY	LAVINA ELEM	51	$245,039	$232,133	$232,133	$245,039	$0	29.70	91.14%		
GOLDEN VALLEY	LAVINA H S	24	$209,959	$206,194	$215,749	$219,514	$9,555	11.55	68.34%		
GOLDEN VALLEY	RYEGATE ELEM	53	$296,667	$290,298	$290,298	$296,667	$0	17.07	108.80%	*	
GOLDEN VALLEY	RYEGATE H S	25	$303,636	$303,636	$303,636	$303,636	$0	12.89	94.19%	*	
GRANITE	DRUMMOND ELEM	129	$483,324	$469,738	$469,738	$483,324	$0	17.45	83.29%	*	

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GRANITE	DRUMMOND H S	94	$502,275	$496,982	$502,932	$508,225	$5,950	4.96	78.57%	*	
GRANITE	GRANITE H S	80	$521,306	$497,005	$497,005	$521,306	$0	5.42	84.80%		
GRANITE	HALL ELEM	29	$120,570	$120,570	$120,570	$120,570	$0	6.34	100.96%	*	**
GRANITE	PHILIPSBURG EL	195	$686,094	$654,067	$654,067	$686,094	$0	1.53	83.83%		
HILL	BLUE SKY ELEM	141	$516,924	$508,546	$508,546	$516,924	$0	16.86	88.26%		
HILL	BLUE SKY HIGH	33	$474,274	$474,274	$474,274	$474,274	$0	10.72	131.22%	*	
HILL	BOX ELDER ELEM	142	$947,853	$463,779	$465,631	$949,705	$1,852	4.39	88.31%	*	
HILL	BOX ELDER H S	51	$611,586	$355,125	$355,982	$612,443	$857	10.83	86.78%	*	**
HILL	COTTONWOOD ELEM	39	$250,000	$224,539	$224,539	$250,000	$0	-6.42	139.03%	*	**
HILL	DAVEY ELEM	5	$46,020	$43,178	$43,178	$46,020	$0	0.00	120.03%		
HILL	GILDFORD COLONY ELEM	12	$40,822	$38,791	$40,631	$42,662	$1,840	-4.63	68.79%		
HILL	HAVRE ELEM	1,840	$5,716,273	$5,398,874	$5,412,315	$5,729,714	$13,441	2.30	80.14%		
HILL	HAVRE H S	789	$2,888,128	$2,753,601	$2,828,588	$2,963,115	$74,987	6.58	73.25%	*	
HILL	K-G ELEM	83	$429,660	$421,708	$421,708	$429,660	$0	47.16	117.32%		
HILL	K-G HIGH SCHOOL	30	$413,746	$413,746	$413,746	$413,746	$0	6.32	119.31%		
HILL	ROCKY BOY ELEM	341	$1,826,585	$964,667	$982,583	$1,844,301	$17,716	2.01	84.66%	*	
HILL	ROCKY BOY H S	84	$823,975	$470,009	$473,585	$827,550	$3,575	-19.67	85.86%	*	**
JEFFERSON	BASIN ELEM	10	$62,020	$62,020	$62,020	$62,020	$0	0.00	117.04%	*	**
JEFFERSON	BOULDER ELEM	231	$861,788	$814,321	$814,321	$861,788	$0	-4.74	86.43%		
JEFFERSON	CARDWELL ELEM	51	$150,106	$144,141	$148,712	$152,677	$2,571	6.87	75.50%		
JEFFERSON	CLANCY ELEM	366	$1,218,542	$1,198,612	$1,198,612	$1,218,542	$0	9.63	82.86%		
JEFFERSON	JEFFERSON H S	235	$1,035,213	$1,001,165	$1,014,972	$1,049,020	$13,807	6.13	76.47%		
JEFFERSON	MONTANA CITY ELEM	199	$819,286	$811,441	$811,441	$819,286	$0	-10.06	100.61%		
JEFFERSON	WHITEHALL ELEM	375	$1,085,273	$1,061,603	$1,087,392	$1,111,062	$25,789	9.10	73.49%		
JEFFERSON	WHITEHALL H S	175	$761,494	$740,488	$760,372	$781,378	$19,884	8.70	72.97%		
JUDITH BASIN	GEYSER ELEM	67	$305,652	$298,708	$298,708	$305,652	$0	36.84	101.79%	*	
JUDITH BASIN	GEYSER H S	32	$285,955	$283,297	$283,686	$286,344	$389	11.59	79.71%	*	
JUDITH BASIN	HOBSON ELEM	96	$409,191	$401,391	$401,391	$409,191	$0	10.77	90.90%		
JUDITH BASIN	HOBSON H S	47	$408,883	$408,288	$408,288	$408,883	$0	21.20	94.57%		
JUDITH BASIN	RAYNESFORD ELEM	23	$83,385	$82,371	$82,371	$83,385	$0	19.66	83.84%	*	
JUDITH BASIN	STANFORD ELEM	140	$463,376	$459,186	$463,094	$467,284	$3,908	21.45	77.55%		
JUDITH BASIN	STANFORD H S	58	$412,410	$412,410	$412,410	$412,410	$0	18.87	85.32%		
LAKE	ARLEE ELEM	272	$1,142,702	$823,396	$835,252	$1,154,558	$11,856	-2.71	81.16%	*	
LAKE	ARLEE H S	145	$833,728	$496,198	$541,803	$879,333	$45,605	-8.95	70.75%	*	
LAKE	CHARLO ELEM	197	$712,401	$679,472	$679,472	$712,401	$0	32.85	85.53%		
LAKE	CHARLO H S	74	$491,401	$445,073	$445,858	$492,186	$785	5.04	81.01%		
LAKE	POLSON ELEM	1,049	$3,137,865	$2,959,889	$3,005,900	$3,183,876	$46,011	7.77	76.44%		
LAKE	POLSON H S	463	$1,688,161	$1,627,998	$1,688,834	$1,748,997	$60,836	1.57	70.66%		
LAKE	RONAN ELEM	1,077	$3,978,816	$2,408,748	$2,576,645	$4,146,714	$167,898	-8.76	73.65%	*	
LAKE	RONAN H S	382	$1,888,203	$892,689	$1,039,818	$2,035,331	$147,128	-11.10	67.15%	*	
LAKE	ST IGNATIUS ELEM	421	$1,590,357	$1,401,508	$1,401,508	$1,590,357	$0	24.08	86.88%		
LAKE	ST IGNATIUS H S	168	$1,187,748	$524,136	$581,898	$1,245,510	$57,763	-21.12	74.15%		
LAKE	SWAN LAKE-SALMON ELEM	18	$65,294	$65,294	$65,294	$65,294	$0	6.01	80.64%		
LAKE	UPPER WEST SHORE ELEM	24	$62,000	$62,000	$65,911	$65,911	$3,911	8.08	64.65%	*	
LAKE	VALLEY VIEW ELEM	20	$55,264	$55,264	$58,285	$58,285	$3,021	35.31	66.26%		
LEWIS & CLARK	AUCHARD CRK ELEM	21	$48,228	$48,228	$53,216	$53,216	$4,988	6.18	58.19%		
LEWIS & CLARK	AUGUSTA ELEM	105	$421,448	$421,448	$421,448	$421,448	$0	14.61	90.40%	*	
LEWIS & CLARK	AUGUSTA H S	34	$351,492	$333,949	$333,949	$351,492	$0	13.52	91.57%	*	**
LEWIS & CLARK	CRAIG ELEM	9	$39,707	$39,707	$39,707	$39,707	$0	-0.21	80.23%		
LEWIS & CLARK	E HELENA ELEM	1,024	$2,935,797	$2,865,066	$2,912,694	$2,983,425	$47,628	3.47	75.53%		

EX 5
HB 661

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LEWIS & CLARK	HELENA ELEM	5,110	$17,133,670	$16,144,114	$16,144,114	$17,133,670	$0	4.06	89.84%		
LEWIS & CLARK	HELENA H S	2,425	$11,354,905	$10,729,262	$10,729,262	$11,354,905	$0	-2.52	96.67%		
LEWIS & CLARK	KESSLER ELEM	289	$791,164	$768,990	$778,580	$800,754	$9,590	5.16	76.75%		
LEWIS & CLARK	LINCOLN ELEM	149	$506,251	$479,799	$481,219	$507,671	$1,421	5.65	79.94%		
LEWIS & CLARK	LINCOLN HIGH SCHOOL	46	$330,945	$330,945	$332,737	$332,737	$1,792	9.15	78.31%		
LEWIS & CLARK	TRINITY ELEM	14	$50,686	$50,686	$51,266	$51,266	$580	0.00	76.54%	*	**
LEWIS & CLARK	WOLF CREEK ELEM	13	$49,315	$49,315	$49,609	$49,609	$295	-5.95	78.14%		
LIBERTY	CHESTER ELEM	240	$809,318	$772,388	$774,560	$811,490	$2,173	14.50	79.87%	*	
LIBERTY	CHESTER H S	98	$697,978	$697,978	$697,978	$697,978	$0	3.35	102.97%		
LIBERTY	J-1 ELEM	113	$686,197	$674,998	$674,998	$686,197	$0	40.72	139.18%	*	**
LIBERTY	J-1 HIGH SCHOOL	42	$523,848	$519,188	$519,188	$523,848	$0	14.09	127.76%	*	**
LIBERTY	LIBERTY ELEM SCHOOL	12	$35,924	$35,924	$38,337	$38,337	$2,413	0.20	63.91%		
LIBERTY	WHITLASH ELEM	9	$36,915	$34,309	$35,366	$37,972	$1,057	0.00	72.88%		
LINCOLN	EUREKA ELEM	521	$1,724,305	$1,491,209	$1,518,057	$1,751,153	$26,848	6.53	77.32%		
LINCOLN	FORTINE ELEM	76	$234,804	$229,439	$229,439	$234,804	$0	21.28	81.30%		
LINCOLN	LIBBY ELEM	1,465	$4,977,162	$4,472,509	$4,472,509	$4,977,162	$0	-18.15	83.14%		
LINCOLN	LIBBY H S	603	$2,822,838	$2,450,379	$2,450,535	$2,822,994	$156	-19.51	82.15%		
LINCOLN	LINCOLN CO H S	289	$1,132,370	$1,064,144	$1,106,562	$1,174,788	$42,418	2.74	70.62%		
LINCOLN	MCCORMICK ELEM	17	$60,000	$60,000	$60,396	$60,398	$396	18.48	77.96%	*	
LINCOLN	SYLVANITE ELEM	14	$52,320	$51,320	$51,773	$52,773	$453	16.36	77.63%		
LINCOLN	TREGO ELEM	69	$208,056	$208,056	$208,056	$208,056	$0	15.87	80.32%	*	
LINCOLN	TROY ELEM	467	$1,605,348	$1,402,467	$1,421,404	$1,624,285	$18,937	-3.97	78.30%		
LINCOLN	TROY H S	226	$1,021,478	$941,540	$960,382	$1,040,320	$18,842	-3.96	75.68%		
LINCOLN	YAAK ELEM	18	$65,982	$65,982	$65,982	$65,982	$0	27.23	81.49%		
MADISON	ALDER ELEM	29	$80,470	$80,470	$83,483	$83,483	$3,013	14.00	69.91%		
MADISON	ENNIS ELEM	241	$880,276	$861,008	$861,008	$880,276	$0	13.00	91.66%		
MADISON	ENNIS H S	117	$670,602	$660,908	$660,908	$670,602	$0	10.70	86.02%		
MADISON	HARRISON ELEM	79	$290,000	$289,045	$290,731	$291,686	$1,686	26.99	78.24%		
MADISON	HARRISON H S	37	$285,804	$282,076	$286,616	$290,344	$4,539	15.21	75.47%		
MADISON	SHERIDAN ELEM	187	$546,432	$540,770	$556,523	$562,185	$15,753	23.54	72.07%		
MADISON	SHERIDAN H S	99	$504,643	$491,558	$502,475	$515,560	$10,916	6.06	74.10%		
MADISON	TWIN BRIDGES ELEM	159	$597,000	$575,957	$575,957	$597,000	$0	18.70	85.83%		
MADISON	TWIN BRIDGES H S	80	$545,000	$541,464	$541,464	$545,000	$0	12.90	91.76%		
MCCONE	CIRCLE ELEM	229	$833,464	$789,423	$789,423	$833,464	$0	11.59	83.32%		
MCCONE	CIRCLE H S	138	$726,408	$705,718	$705,718	$726,408	$0	3.34	81.42%		
MCCONE	PRAIRIE ELK ELEM	6	$29,120	$29,120	$29,536	$29,536	$416	9.69	75.74%	*	**
MCCONE	SOUTHVIEW ELEM	11	$36,260	$36,260	$36,046	$38,046	$1,786	3.87	67.35%	*	
MCCONE	VIDA ELEM	19	$85,292	$85,292	$85,292	$85,292	$0	6.35	100.98%	*	
MEAGHER	LENNEP ELEM	12	$32,666	$32,666	$35,731	$35,731	$3,065	2.16	59.56%		
MEAGHER	RINGLING ELEM	5	$37,317	$37,317	$37,317	$37,317	$0	3.38	105.12%	*	
MEAGHER	WHT SULPHUR SPGS ELEM	183	$755,144	$741,779	$741,779	$755,144	$0	12.89	98.99%		
MEAGHER	WHT SULPHUR SPGS HS	103	$602,576	$596,373	$596,373	$602,576	$0	11.28	85.08%		
MINERAL	ALBERTON ELEM	164	$590,596	$590,596	$590,596	$590,596	$0	-9.68	84.31%	*	
MINERAL	ALBERTON H S	59	$446,918	$446,918	$446,918	$446,918	$0	5.22	91.54%	*	
MINERAL	ST REGIS ELEM	153	$577,506	$539,703	$539,703	$577,506	$0	-11.14	84.25%		
MINERAL	ST REGIS H S	56	$454,766	$437,098	$437,098	$454,766	$0	-5.31	92.56%		
MINERAL	SUPERIOR ELEM	304	$1,102,642	$1,049,461	$1,049,461	$1,102,642	$0	-14.80	87.62%	*	
MINERAL	SUPERIOR H S	130	$653,396	$653,396	$655,966	$655,966	$2,570	-11.19	78.77%	*	
MISSOULA	BONNER ELEM	423	$1,462,873	$1,377,409	$1,377,409	$1,462,873	$0	-6.14	84.11%		
MISSOULA	CLINTON ELEM	236	$827,999	$785,373	$785,373	$827,999	$0	-8.35	82.45%		

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MISSOULA	DESMET SCHOOL	104	$425,041	$410,428	$410,428	$425,041	$0	31.97	91.38%		
MISSOULA	FRENCHTOWN ELEM	624	$1,946,347	$1,880,221	$1,890,696	$1,956,822	$10,475	16.85	78.84%		
MISSOULA	FRENCHTOWN H S	266	$1,408,094	$1,395,793	$1,395,793	$1,408,094	$0	2.29	93.99%		
MISSOULA	HELLGATE ELEM	920	$2,741,449	$2,577,794	$2,617,353	$2,781,008	$39,559	1.68	76.55%		
MISSOULA	LOLO ELEM	625	$2,003,765	$1,940,229	$1,940,229	$2,003,765	$0	-3.82	81.45%		
MISSOULA	MISSOULA ELEM	5,819	$19,595,900	$18,299,085	$18,299,085	$19,595,900	$0	10.21	90.87%		
MISSOULA	MISSOULA H S	3,360	$15,368,799	$14,417,416	$14,417,416	$15,368,799	$0	0.77	94.95%		
MISSOULA	POTOMAC ELEM	107	$421,910	$421,910	$421,910	$421,910	$0	52.75	88.75%		
MISSOULA	SEELEY LAKE ELEM	214	$666,897	$666,897	$673,354	$673,354	$6,457	3.44	77.04%		
MISSOULA	SUNSET ELEM	11	$44,882	$39,999	$41,037	$45,920	$1,038	0.74	74.82%		
MISSOULA	SWAN VALLEY ELEM	70	$325,923	$325,923	$325,923	$325,923	$0	87.10	106.29%	*	
MISSOULA	TARGET RANGE ELEM	507	$1,540,853	$1,451,119	$1,461,060	$1,570,794	$29,941	3.19	75.13%		
MISSOULA	WOODMAN ELEM	67	$320,795	$320,795	$320,795	$320,795	$0	89.69	103.55%	*	**
MUSSELSHELL	MELSTONE ELEM	65	$322,590	$310,655	$310,655	$322,590	$0	68.82	99.46%		
MUSSELSHELL	MELSTONE H S	51	$387,957	$387,957	$387,957	$387,957	$0	56.10	86.35%		
MUSSELSHELL	MUSSELSHELL ELEM	20	$96,709	$94,317	$94,317	$96,709	$0	11.16	107.03%	*	
MUSSELSHELL	ROUNDUP ELEM	474	$1,469,267	$1,381,728	$1,406,245	$1,493,764	$24,517	1.14	75.91%		
MUSSELSHELL	ROUNDUP H S	195	$864,133	$812,414	$833,298	$885,017	$20,884	-2.61	73.89%		
PARK	ARROWHEAD ELEM	53	$163,792	$163,792	$163,792	$163,792	$0	19.94	80.60%		
PARK	COOKE CITY ELEM	7	$32,034	$32,034	$32,427	$32,427	$393	21.40	76.31%	*	
PARK	GARDINER ELEM	167	$699,620	$545,510	$550,021	$704,131	$4,511	12.99	81.48%	*	
PARK	GARDINER H S	74	$650,827	$441,917	$443,334	$652,244	$1,417	13.17	84.69%	*	**
PARK	LIVINGSTON ELEM	1,059	$3,530,717	$3,273,989	$3,273,989	$3,530,717	$0	-7.64	81.84%		
PARK	PARK H S	463	$2,092,365	$1,947,279	$1,947,279	$2,092,365	$0	-7.90	81.72%		
PARK	PINE CREEK ELEM	22	$62,745	$62,745	$65,389	$65,389	$2,644	29.87	68.86%		
PARK	RICHLAND ELEM	11	$48,592	$48,592	$48,592	$48,592	$0	7.03	86.02%	*	**
PARK	SPRINGDALE ELEM	10	$35,465	$35,465	$36,851	$36,851	$1,386	2.39	69.54%		
PARK	SHIELDS VALLEY HIGH SCH	93	$600,921	$587,597	$587,597	$600,921	$0	12.03	90.11%	*	
PARK	SHIELDS VLY ELEM SCH DIS	199	$721,620	$695,327	$695,327	$721,620	$0	41.55	87.38%	*	
PETROLEUM	WINNETT ELEM	70	$359,020	$356,851	$356,851	$359,020	$0	18.67	107.87%	*	
PETROLEUM	WINNETT H S	38	$372,628	$362,030	$362,030	$372,628	$0	27.46	93.99%	*	**
PHILLIPS	DODSON ELEM	89	$484,938	$422,733	$422,733	$484,938	$0	19.20	102.34%	*	**
PHILLIPS	DODSON H S	50	$483,336	$483,336	$483,336	$483,336	$0	25.41	108.76%	*	
PHILLIPS	LANDUSKY ELEM	8	$33,315	$33,315	$34,011	$34,011	$696	3.29	73.95%		
PHILLIPS	MALTA ELEM	463	$1,607,805	$1,556,869	$1,556,869	$1,607,805	$0	9.84	86.69%		
PHILLIPS	MALTA H S	222	$1,049,894	$1,018,831	$1,019,150	$1,050,213	$319	4.75	80.38%		
PHILLIPS	SACO ELEM	91	$551,185	$531,826	$531,826	$551,185	$0	20.11	130.22%		
PHILLIPS	SACO H S	37	$537,638	$537,638	$537,638	$537,638	$0	28.59	141.12%		
PHILLIPS	SECOND CRK ELEM	7	$35,864	$33,224	$33,379	$36,019	$155	13.50	79.80%		
PHILLIPS	WHITEWATER ELEM	56	$446,224	$441,964	$441,964	$446,224	$0	-1.73	157.60%		
PHILLIPS	WHITEWATER H S	38	$415,489	$411,230	$411,230	$415,489	$0	-6.53	106.51%		
PONDERA	BRADY ELEM	61	$385,937	$375,078	$375,078	$385,937	$0	24.97	115.50%	*	
PONDERA	BRADY H S	37	$280,433	$280,433	$285,301	$285,301	$4,868	17.91	74.89%		
PONDERA	CONRAD ELEM	560	$1,983,000	$1,871,713	$1,871,713	$1,983,000	$0	-0.41	86.63%	*	
PONDERA	CONRAD H S	227	$1,222,314	$1,182,836	$1,182,836	$1,222,314	$0	0.56	91.29%	*	
PONDERA	DUPUYER ELEM	31	$101,230	$99,037	$99,455	$101,648	$418	1.68	79.04%		
PONDERA	HEART BUTTE	56	$690,096	$380,994	$380,994	$690,096	$0	7.46	88.17%	*	**
PONDERA	HEART BUTTE ELEM	177	$1,074,773	$311,845	$363,925	$1,126,854	$52,081	-28.93	76.23%	*	
PONDERA	MIAMI ELEM	22	$74,636	$73,550	$74,032	$75,118	$483	24.45	78.22%	*	**
PONDERA	VALIER ELEM	204	$668,576	$642,045	$642,721	$669,252	$676	8.17	80.31%		

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OFFICE OF THE LEGISLATIVE AUDITOR
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SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
PONDERA	VALIER H S	75	$495,725	$495,725	$495,725	$495,725	$0	10.79	87.57%		
POWDER RIVER	BELLE CREEK EL	12	$122,000	$122,000	$122,000	$122,000	$0	0.00	203.38%	*	**
POWDER RIVER	BIDDLE ELEM	26	$75,003	$75,003	$77,432	$77,432	$2,429	23.96	71.08%	*	
POWDER RIVER	BILLUP ELEM	6	$33,280	$33,280	$33,280	$33,280	$0	35.49	85.34%	*	
POWDER RIVER	BROADUS ELEM	196	$915,098	$874,207	$874,207	$915,098	$0	4.74	105.44%		
POWDER RIVER	HORKAN CRK ELEM	7	$30,160	$30,160	$30,927	$30,927	$767	34.61	72.78%	*	
POWDER RIVER	POWDER RVR CO DIST HS	133	$1,075,326	$1,060,524	$1,060,524	$1,075,326	$0	8.68	124.73%	*	
POWDER RIVER	SO STACEY ELEM	6	$32,263	$32,263	$32,263	$32,263	$0	41.93	82.73%	*	**
POWELL	AVON ELEM	38	$88,054	$88,054	$94,581	$94,581	$6,527	3.70	62.69%	*	
POWELL	DEER LODGE ELEM	651	$2,386,768	$2,198,045	$2,198,045	$2,386,768	$0	-21.49	88.41%		
POWELL	ELLISTON ELEM	24	$76,542	$76,542	$77,545	$77,545	$1,003	13.08	76.07%		
POWELL	GARRISON ELEM	15	$54,841	$54,404	$54,800	$55,237	$396	0.00	77.89%		
POWELL	GOLD CREEK ELEM	11	$43,590	$35,829	$37,701	$45,462	$1,872	0.00	70.76%	*	**
POWELL	HELMVILLE ELEM	21	$72,644	$72,644	$72,748	$72,748	$104	19.67	79.54%		
POWELL	OVANDO ELEM	22	$74,669	$74,669	$74,928	$74,928	$259	26.86	78.91%	*	
POWELL	POWELL CO H S	298	$1,455,088	$1,402,774	$1,402,774	$1,455,088	$0	-11.91	86.08%		
PRAIRIE	TERRY ELEM	163	$659,350	$650,271	$650,271	$659,350	$0	25.66	94.69%	*	**
PRAIRIE	TERRY H S	90	$561,568	$554,514	$554,514	$561,568	$0	12.10	86.92%	*	**
RAVALLI	CORVALLIS ELEM	669	$2,190,578	$2,036,848	$2,050,046	$2,203,776	$13,199	4.23	79.21%		
RAVALLI	CORVALLIS H S	288	$1,098,390	$1,062,368	$1,104,380	$1,140,402	$42,012	3.36	70.11%		
RAVALLI	DARBY ELEM	382	$1,231,124	$1,132,009	$1,152,271	$1,251,386	$20,262	-0.29	76.27%		
RAVALLI	DARBY H S	165	$733,465	$713,759	$731,285	$750,991	$17,526	6.03	73.52%		
RAVALLI	FLORENCE-CARLTON ELEM	488	$1,444,576	$1,444,576	$1,459,691	$1,459,691	$15,115	9.08	76.82%		
RAVALLI	FLORENCE-CARLTON HS	172	$834,116	$756,005	$770,476	$848,587	$14,471	1.98	76.20%		
RAVALLI	HAMILTON ELEM	899	$2,690,097	$2,575,851	$2,615,935	$2,730,181	$40,084	-6.15	76.16%		
RAVALLI	HAMILTON H S	430	$1,588,964	$1,522,821	$1,579,998	$1,646,141	$57,177	-8.08	70.74%		
RAVALLI	LONE ROCK ELEM	163	$507,457	$475,186	$475,186	$507,457	$0	10.88	82.10%		
RAVALLI	STEVENSVILLE EL	790	$2,338,408	$2,255,473	$2,298,622	$2,381,557	$43,149	6.14	75.08%		
RAVALLI	STEVENSVILLE HS	371	$1,435,482	$1,351,586	$1,398,642	$1,482,538	$47,056	1.98	71.71%		
RAVALLI	VICTOR ELEM	191	$610,039	$593,900	$599,972	$616,111	$6,072	3.49	77.36%		
RAVALLI	VICTOR H S	81	$476,836	$461,822	$464,702	$479,716	$2,880	14.81	78.60%		
RICHLAND	BRORSON ELEM	11	$75,420	$75,420	$75,420	$75,420	$0	0.00	133.51%	*	**
RICHLAND	FAIRVIEW ELEM	199	$914,987	$895,239	$895,239	$914,987	$0	11.82	106.55%		
RICHLAND	FAIRVIEW H S	156	$1,100,582	$1,082,664	$1,082,664	$1,100,582	$0	7.97	112.73%		
RICHLAND	LAMBERT ELEM	83	$540,205	$536,637	$536,637	$540,205	$0	25.55	142.22%	*	**
RICHLAND	LAMBERT H S	40	$480,152	$478,962	$478,962	$480,152	$0	26.52	121.01%	*	**
RICHLAND	RAU ELEM	67	$230,576	$230,576	$230,576	$230,576	$0	23.65	91.48%	*	
RICHLAND	SAVAGE ELEM	131	$436,948	$431,646	$434,749	$440,051	$3,103	22.43	77.99%		
RICHLAND	SAVAGE H S	34	$384,567	$384,567	$384,567	$384,567	$0	27.30	104.98%	*	
RICHLAND	SIDNEY ELEM	1,110	$3,923,730	$3,746,254	$3,746,254	$3,923,730	$0	11.18	88.86%		
RICHLAND	SIDNEY H S	538	$2,343,614	$2,276,276	$2,276,276	$2,343,614	$0	-7.51	82.77%	*	
ROOSEVELT	BAINVILLE ELEM	77	$533,804	$528,802	$528,802	$533,804	$0	3.78	146.81%	*	**
ROOSEVELT	BAINVILLE H S	31	$487,215	$484,738	$484,738	$487,215	$0	3.05	137.58%	*	**
ROOSEVELT	BROCKTON ELEM	90	$656,301	$319,456	$319,456	$656,301	$0	4.48	89.38%		
ROOSEVELT	BROCKTON H S	47	$626,594	$338,029	$339,185	$627,750	$1,156	5.86	87.39%		
ROOSEVELT	CULBERTSON ELEM	233	$909,404	$817,912	$817,912	$909,404	$0	-3.83	88.47%		
ROOSEVELT	CULBERTSON H S	90	$591,064	$569,990	$569,990	$591,064	$0	0.70	89.55%		
ROOSEVELT	FROID ELEM	78	$420,788	$420,788	$420,788	$420,788	$0	28.06	118.86%	*	
ROOSEVELT	FROID H S	41	$373,855	$366,664	$366,664	$373,855	$0	18.02	91.70%	*	
ROOSEVELT	FRONTIER ELEM	124	$581,316	$558,515	$558,515	$581,316	$0	35.48	106.03%	*	

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
ROOSEVELT	POPLAR ELEM	844	$3,952,000	$3,762,881	$3,762,881	$3,952,000	$0	28.86	151.14%	*	**
ROOSEVELT	POPLAR H S	179	$2,400,000	$2,328,122	$2,328,122	$2,400,000	$0	-2.85	210.34%	*	**
ROOSEVELT	WOLF POINT ELEM	700	$2,741,798	$1,966,831	$1,997,833	$2,772,800	$31,002	12.77	80.90%	*	
ROOSEVELT	WOLF POINT H S	310	$1,571,999	$1,523,932	$1,523,932	$1,571,999	$0	6.26	90.18%	*	**
ROSEBUD	ASHLAND ELEM	101	$475,500	$317,780	$325,844	$483,564	$8,064	-4.68	79.88%		
ROSEBUD	BIRNEY ELEM	16	$66,000	$66,000	$66,000	$66,000	$0	20.05	89.22%		
ROSEBUD	COLSTRIP ELEM	916	$4,796,868	$4,641,099	$4,641,099	$4,796,868	$0	2.10	129.69%		
ROSEBUD	COLSTRIP H S	450	$3,164,049	$3,111,912	$3,111,912	$3,164,049	$0	0.61	131.47%		
ROSEBUD	FORSYTH ELEM	443	$1,620,434	$1,503,614	$1,503,614	$1,620,434	$0	-1.92	86.05%		
ROSEBUD	FORSYTH H S	233	$984,610	$953,603	$975,392	$1,006,399	$21,789	6.47	74.04%		
ROSEBUD	LAME DEER ELEM	325	$2,132,558	$1,015,793	$1,015,793	$2,132,558	$0	1.27	90.74%		
ROSEBUD	ROCK SPRING ELEM	4	$32,055	$32,055	$32,055	$32,055	$0	10.72	100.18%		
ROSEBUD	ROSEBUD ELEM	83	$364,442	$353,797	$353,797	$364,442	$0	24.25	95.07%		
ROSEBUD	ROSEBUD H S	28	$300,887	$300,887	$300,887	$300,887	$0	8.14	89.28%		
SANDERS	CAMAS PRAIRIE ELEM	7	$48,852	$32,522	$32,817	$49,147	$295	7.23	83.55%	*	**
SANDERS	DIXON ELEM	47	$347,000	$160,808	$160,808	$347,000	$0	-29.19	94.17%	*	**
SANDERS	HOT SPRINGS ELEM	146	$527,730	$503,866	$504,430	$528,294	$564	-0.92	80.38%	*	
SANDERS	HOT SPRINGS H S	73	$461,138	$439,013	$440,232	$462,357	$1,219	10.13	79.92%	*	
SANDERS	NOXON ELEM	176	$680,936	$665,420	$665,420	$680,936	$0	17.43	89.97%		
SANDERS	NOXON H S	108	$521,218	$514,998	$528,208	$534,428	$13,210	7.10	72.96%		
SANDERS	PARADISE ELEM	46	$157,445	$157,445	$157,445	$157,445	$0	6.70	84.75%		
SANDERS	PLAINS ELEM	304	$1,002,224	$941,963	$951,222	$1,011,483	$9,259	-2.59	78.07%		
SANDERS	PLAINS H S	165	$810,522	$794,656	$796,002	$811,868	$1,346	-8.70	79.78%		
SANDERS	THOMPSON FALLS ELEM	385	$1,209,208	$1,172,870	$1,183,543	$1,219,881	$10,673	-0.37	77.74%		
SANDERS	THOMPSON FALLS H S	194	$833,886	$813,171	$833,135	$853,850	$19,964	-0.11	73.48%		
SANDERS	TROUT CRK ELEM	90	$396,558	$396,558	$396,558	$396,558	$0	15.40	119.37%	*	**
SHERIDAN	HIAWATHA ELEM	16	$124,925	$124,925	$124,925	$124,925	$0	0.00	168.87%	*	**
SHERIDAN	MEDICINE LK EL	164	$820,744	$803,761	$803,761	$820,744	$0	37.90	114.39%	*	**
SHERIDAN	MEDICINE LK H S	80	$634,613	$628,235	$628,235	$634,613	$0	6.95	106.34%	*	
SHERIDAN	OUTLOOK ELEM	53	$382,324	$374,371	$374,371	$382,324	$0	23.87	132.47%	*	**
SHERIDAN	OUTLOOK H S	24	$325,883	$325,883	$325,883	$325,883	$0	9.85	102.65%	*	
SHERIDAN	PLENTYWOOD ELEM	361	$1,202,083	$1,158,040	$1,158,040	$1,202,083	$0	-1.90	81.44%		
SHERIDAN	PLENTYWOOD H S	162	$1,020,518	$1,000,586	$1,000,586	$1,020,518	$0	-4.15	101.32%		
SHERIDAN	WESTBY ELEM	76	$667,322	$628,305	$628,305	$667,322	$0	-15.95	170.71%	*	**
SHERIDAN	WESTBY H S	35	$634,459	$628,760	$628,760	$634,459	$0	-14.22	168.34%	*	
SILVER BOW	BUTTE ELEM	3,686	$15,048,630	$13,967,776	$13,967,776	$15,048,630	$0	8.14	105.71%		
SILVER BOW	BUTTE H S	1,458	$8,225,248	$7,611,602	$7,611,602	$8,225,248	$0	0.31	109.98%	*	
SILVER BOW	DIVIDE ELEM	13	$50,094	$50,094	$50,233	$50,233	$139	4.12	79.13%		
SILVER BOW	MELROSE ELEM	21	$80,757	$80,757	$80,757	$80,757	$0	10.00	88.30%	*	
SILVER BOW	RAMSAY ELEM	138	$508,012	$488,529	$488,529	$508,012	$0	13.24	84.57%		
STILLWATER	ABSAROKEE ELEM	261	$935,108	$912,740	$912,740	$935,108	$0	20.52	86.16%		
STILLWATER	ABSAROKEE H S	132	$626,892	$605,482	$619,182	$640,592	$13,700	5.12	74.15%		
STILLWATER	COLUMBUS ELEM	398	$1,253,165	$1,179,037	$1,192,401	$1,266,529	$13,364	-3.38	77.63%		
STILLWATER	COLUMBUS H S	143	$711,168	$669,396	$678,817	$720,589	$9,421	0.21	76.87%		
STILLWATER	FISHTAIL ELEM	35	$92,566	$92,566	$96,513	$96,513	$3,948	3.55	68.75%		
STILLWATER	MOLT ELEM	10	$67,881	$67,881	$67,881	$67,881	$0	-2.57	128.10%	*	**
STILLWATER	NYE ELEM	4	$32,062	$32,062	$32,062	$32,062	$0	36.51	100.20%		
STILLWATER	PARK CITY ELEM	231	$737,207	$706,343	$718,259	$747,123	$9,916	15.78	76.53%	*	
STILLWATER	PARK CITY H S	118	$567,484	$551,481	$565,145	$581,148	$13,664	5.67	73.49%	*	
STILLWATER	RAPELJE ELEM	46	$367,441	$359,552	$359,552	$367,441	$0	15.85	149.57%	*	**

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STILLWATER	RAPELJE H S	27	$305,397	$297,514	$297,514	$305,397	$0	5.20	89.82%	*	**
STILLWATER	REEDPOINT ELEM	37	$290,698	$261,265	$261,265	$290,698	$0	43.48	121.11%		
STILLWATER	REEDPOINT H S	21	$210,163	$204,602	$212,129	$217,690	$7,527	16.58	70.60%		
SWEET GRASS	BIG TIMBER ELEM	321	$1,034,403	$991,776	$1,000,060	$1,042,687	$8,284	-0.74	78.16%		
SWEET GRASS	BRIDGE ELEM	8	$28,468	$28,468	$30,134	$30,134	$1,666	7.68	65.52%		
SWEET GRASS	GREYCLIFF ELEM	25	$79,413	$79,413	$80,401	$80,401	$988	15.35	76.25%	*	**
SWEET GRASS	MCLEOD ELEM	7	$43,675	$43,675	$43,675	$43,675	$0	9.09	102.77%	*	**
SWEET GRASS	MELVILLE ELEM	24	$81,940	$81,940	$81,940	$81,940	$0	14.24	80.38%		
SWEET GRASS	SWEET GRASS CO HS	199	$960,051	$943,162	$943,162	$960,051	$0	-7.30	81.21%		
TETON	BYNUM ELEM	35	$94,342	$94,342	$97,934	$97,934	$3,593	1.88	69.76%	*	
TETON	CHOTEAU ELEM	317	$1,043,105	$1,000,003	$1,001,665	$1,044,767	$1,662	-5.08	80.15%		
TETON	CHOTEAU H S	158	$984,883	$972,223	$972,223	$984,883	$0	-0.45	100.43%		
TETON	DUTTON ELEM	107	$451,317	$437,625	$437,625	$451,317	$0	17.49	96.57%		
TETON	DUTTON H S	44	$440,690	$435,730	$435,730	$440,690	$0	9.21	104.90%		
TETON	FAIRFIELD ELEM	212	$773,865	$720,101	$720,101	$773,865	$0	1.84	82.39%	*	**
TETON	FAIRFIELD H S	140	$691,307	$665,171	$673,118	$699,254	$7,947	-1.92	77.07%	*	
TETON	GOLDEN RIDGE ELEM	30	$83,951	$81,514	$84,877	$87,314	$3,363	5.98	69.66%	*	
TETON	GREENFIELD ELEM	68	$263,465	$261,411	$261,411	$263,465	$0	21.30	80.56%	*	**
TETON	PENDROY ELEM	12	$47,904	$47,904	$47,921	$47,921	$17	-1.07	79.89%		
TETON	POWER ELEM	116	$419,990	$410,320	$410,320	$419,990	$0	-1.93	81.42%		
TETON	POWER H S	49	$346,400	$345,342	$346,596	$347,654	$1,253	-0.29	78.91%		
TOOLE	GALATA ELEM	16	$114,400	$114,400	$114,400	$114,400	$0	0.00	154.64%	*	**
TOOLE	SHELBY ELEM	528	$1,894,540	$1,824,123	$1,824,123	$1,894,540	$0	-4.85	88.40%		
TOOLE	SHELBY H S	206	$1,283,060	$1,257,256	$1,257,256	$1,283,060	$0	4.06	104.77%	*	
TOOLE	SUNBURST ELEM	226	$849,091	$816,186	$816,186	$849,091	$0	9.48	88.29%	*	
TOOLE	SUNBURST H S	96	$800,021	$790,758	$790,758	$800,021	$0	16.24	118.10%	*	
TREASURE	HYSHAM ELEM	130	$478,727	$468,158	$468,158	$478,727	$0	15.56	85.37%		
TREASURE	HYSHAM H S	50	$474,503	$463,986	$463,986	$474,503	$0	15.81	104.31%		
VALLEY	FRAZER ELEM	104	$832,240	$349,783	$350,900	$833,357	$1,117	1.12	89.93%	*	
VALLEY	FRAZER H S	35	$651,679	$268,263	$274,003	$657,419	$5,740	16.79	87.12%	*	**
VALLEY	FT PECK ELEM	17	$255,250	$255,250	$255,250	$255,250	$0	124.17	329.47%	*	**
VALLEY	GLASGOW ELEM	712	$2,951,458	$2,875,735	$2,875,735	$2,951,458	$0	6.41	105.21%		
VALLEY	GLASGOW H S	285	$1,752,000	$1,714,145	$1,714,145	$1,752,000	$0	-4.51	108.54%		
VALLEY	HINSDALE ELEM	68	$387,392	$378,885	$378,885	$387,392	$0	15.14	116.17%	*	
VALLEY	HINSDALE H S	31	$434,979	$433,662	$433,662	$434,979	$0	10.80	123.23%	*	
VALLEY	LUSTRE ELEM	59	$280,597	$271,473	$271,473	$280,597	$0	3.15	120.28%	*	
VALLEY	NASHUA ELEM	134	$523,963	$489,685	$489,685	$523,963	$0	-6.46	84.60%		
VALLEY	NASHUA H S	67	$495,969	$466,854	$466,854	$495,969	$0	7.46	89.15%		
VALLEY	OPHEIM ELEM	85	$537,258	$520,481	$520,481	$537,258	$0	17.41	127.83%	*	**
VALLEY	OPHEIM H S	47	$515,861	$515,861	$515,861	$515,861	$0	12.46	120.03%	*	**
WHEATLAND	HARLOWTON ELEM	202	$691,305	$659,284	$663,214	$695,235	$3,930	4.32	78.94%		
WHEATLAND	HARLOWTON H S	109	$648,456	$640,027	$640,027	$648,456	$0	4.42	87.68%		
WHEATLAND	JUDITH GAP ELEM	92	$324,434	$322,768	$324,410	$326,076	$1,642	12.26	78.50%		
WHEATLAND	JUDITH GAP H S	30	$260,478	$256,812	$262,534	$264,200	$3,723	-3.83	75.82%		
WHEATLAND	SHAWMUT ELEM	11	$40,312	$40,312	$41,288	$41,288	$976	0.00	73.09%	*	**
WHEATLAND	TWO DOT ELEM	8	$45,017	$45,017	$45,017	$45,017	$0	1.58	97.88%	*	
WIBAUX	WIBAUX ELEM	161	$895,448	$860,293	$860,293	$895,448	$0	14.02	124.62%	*	**
WIBAUX	WIBAUX H S	77	$659,663	$659,663	$659,663	$659,663	$0	13.49	114.56%	*	**
YELLOWSTONE	BILLINGS ELEM	10,251	$33,812,312	$30,507,396	$30,507,396	$33,812,312	$0	14.13	87.50%		
YELLOWSTONE	BILLINGS H S	4,613	$17,698,841	$16,340,774	$16,392,211	$17,750,278	$51,437	1.85	80.30%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED

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COUNTY	DISTRICT	TOTAL ANB	CURRENT FY93 GEN. FUND BUDG REQU.	CURRENT FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 GENERAL FUND BUDGET LESS 874 & SP ED	RESTATED FY93 BUDGET PLUS 874 & SP ED	RESTATED FY93 BUDGET MINUS CURRENT FY93 BUDGET	CHANGE IN MILLS TO RESTATED FY93 BUDGET	RESTATED FY93 BUDGET AS A % OF MAX G.F. BUDGET PLUS 874 & SP ED	* SPENT 95% OR LESS OF FY92 BUDGET	** SPENT 85% OR LESS OF FY92 BUDGET
YELLOWSTONE	BLUE CREEK ELEM	98	$290,433	$290,433	$290,433	$290,433	$0	19.15	80.66%	*	
YELLOWSTONE	BROADVIEW ELEM	71	$513,000	$496,360	$496,360	$513,000	$0	5.12	143.26%	*	**
YELLOWSTONE	BROADVIEW H S	41	$508,000	$493,657	$493,657	$508,000	$0	8.62	122.46%	*	**
YELLOWSTONE	CANYON CRK ELEM	210	$675,381	$652,146	$659,461	$682,696	$7,315	2.96	77.22%		
YELLOWSTONE	CUSTER ELEM	70	$408,840	$402,805	$402,805	$408,840	$0	15.56	124.39%	*	**
YELLOWSTONE	CUSTER H S	32	$421,800	$421,800	$421,800	$421,800	$0	14.64	118.30%	*	**
YELLOWSTONE	ELDER GROVE ELEM	191	$597,375	$594,911	$601,914	$604,378	$7,003	5.58	76.52%		
YELLOWSTONE	ELYSIAN ELEM	96	$294,684	$288,200	$288,200	$294,684	$0	11.16	81.95%		
YELLOWSTONE	HUNTLEY PROJ ELEM	479	$1,508,287	$1,442,402	$1,453,429	$1,519,314	$11,027	7.62	78.40%		
YELLOWSTONE	HUNTLEY PROJ HS	184	$901,503	$882,984	$882,984	$901,503	$0	-3.37	81.09%	*	
YELLOWSTONE	INDEPENDENT ELEM	164	$453,717	$453,717	$457,266	$457,266	$3,549	13.43	77.59%	*	
YELLOWSTONE	LAUREL ELEM	1,279	$4,144,375	$3,930,256	$3,930,256	$4,144,375	$0	-4.85	81.20%		
YELLOWSTONE	LAUREL H S	570	$2,009,140	$1,963,510	$2,036,715	$2,082,345	$73,205	3.04	70.41%		
YELLOWSTONE	LOCKWOOD ELEM	1,152	$3,545,309	$3,330,165	$3,357,925	$3,573,069	$27,760	4.85	78.51%		
YELLOWSTONE	MORIN ELEM	32	$151,335	$107,619	$107,619	$151,335	$0	0.52	87.17%	*	**
YELLOWSTONE	PIONEER ELEM	73	$218,000	$218,000	$218,076	$218,076	$76	16.00	79.89%	*	
YELLOWSTONE	SHEPHERD ELEM	510	$1,334,655	$1,294,805	$1,360,715	$1,400,565	$65,910	9.69	67.65%		
YELLOWSTONE	SHEPHERD H S	222	$1,058,765	$1,022,019	$1,022,019	$1,058,765	$0	-18.13	80.66%		
TOTALS		151,124	$612,288,982	$554,984,866	$557,900,095	$615,204,211	$2,915,229		87.66%		

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$16,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,984,666		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$363,833,736		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	69.31%		

CHANGE FROM FY93 BUDGET TO NEW BUDGET					
	BUDGET DOWN		BUDGET UP		
	MORE THAN 2%	FROM < 0 TO 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	299	24	31
HS	0	0	132	27	5
TOTAL SCHOOLS	0	0	431	51	36
ELEM ANB	0	0	103,611	2,220	2,679
HS ANB	0	0	35,035	6,554	1,025
TOTAL ANB	0	0	138,646	8,774	3,704

Ex 5
HB 661

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
12:46 PM

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,984,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,833,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
	MILLS DOWN		MILLS UP		
NUMBER OF SCHOOLS/ANB	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10 LESS THAN 20	MORE THAN 20
ELEM	11	57	110	97	79
HS	14	31	70	41	8
TOTAL SCHOOLS	25	88	180	138	87
ELEM ANB	4,602	24,765	44,332	28,708	6,083
HS ANB	3,970	14,706	21,363	2,229	346
TOTAL ANB	8,572	39,491	65,695	30,937	6,429

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE SCHYE
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

27-Mar-93
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		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE			161%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			0.00%
MAXIMUM PER STUDENT REDUCTION ANB		2000	1000
CURRENT FY 93 GF BUDGETS	$554,964,866		
TOTAL SIMULATED GF BUDGETS	$557,900,095		
DIFFERENCE IN GF BUDGETS	$2,915,229	$1,562,331	$1,352,898
OLD STATE SUPPORT	$383,633,738		
NEW STATE SUPPORT	$356,424,811		
STATE SUPPORT DIFFERENCE	($27,408,927)	($20,271,452)	($7,137,475)
STATE EQUALIZATION %	89.31%		

NEW BUDGET ANALYSIS			
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM
ELEM	160	117	77
HS	67	54	43
TOTAL SCHOOLS	227	171	120
ELEM ANB	40,353	56,952	11,205
HS ANB	17,532	19,685	5,397
TOTAL ANB	57,885	76,637	16,602

DATE 4-6-93

SENATE COMMITTEE ON Sub-Com - HB 667

BILLS BEING HEARD TODAY:

HB 667 4PM

Name	Representing	Bill No.	Check One Support	Oppose
Don Waldron	MREA	HB667	✓	
Ken Halvorson	Opheim S.D.	667		
Carol McInnis	Butte Dist #1	661	—	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE FOR SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Sen. Chet Blaylock, Chair, on April 6, 1993, at 3:17 p.m.

ROLL CALL

Members Present:
Sen. Chet Blaylock, Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Eddye McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Subcommittee action on HB 667

DISCUSSION:

Chair Blaylock said he and Senator Brown were talking and he believed it would be helpful to the group to, in effect, say where we had been in this bill. He had asked Ms. McClure to give a quick run down of what we have done so we will have a sort of over-all feeling of what we have accomplished.

Ms. McClure handed out a summary of action and read through them for the committee. (exhibit 1) In addition she explained the ** Note on page 1 and said when we phased them down over 5 years, the House had put in the first year would be a permissive vote, 2nd year a vote of the people. We did not change that, and if they are frozen you might want to revisit that decision to decide what they would be voting on. The first year it is obvious it

would be permissive and they would vote to stay at their frozen level. She said on page 2 (9) there is one error. There was an official motion vote on changing enrollment that Ms. Quinlan presented, so that was a decision we will draw up amendments on. You did not make a decision on the Gage suggestion that we look at reduction factors of $.50 and $.20. For staff needs, you need to clarify how you want to do those frozen districts, whether there is still a vote, whether it is permissive or whatever, and we should possibly look at the House cuts.

Senator Waterman said she needed two clarifications. Under capital outlay, she thought Ms. McClure was correct that we did coordinate it with SB 32. She was concerned that if SB 32 does not pass, in addition to our real problems, we would have problems within this bill because we have told people they cannot build out of their general fund budget. This means we have not given them any option if they can't bond. She thought perhaps we need to go back and add contingency language that says that removing that capital outlay from general fund is contingent on passage of SB 32. If we do not do this we have some districts that are really in a box, with no bonding authority and new kids next fall, they couldn't buy a modular or do anything.

Senator Stang said he would like to revisit SB 32 also, he thought perhaps SB 32 should be amended, in the form it left the Senate, into this bill. He said it is imperative we help some of these school districts that cannot sell bonds. Maybe just for strategic reasons in case it runs into trouble in the conference committee and we cannot get an agreement, we should amend it into this bill. It does give us another shot at it in this bill. If this bill dies, we still have SB 32 out there to work on. If SB 32 dies and this bill dies, we are in trouble, but this would give us two shots at SB 32 which is a real important issue. Some of the schools he represents, more than anything, wanted to see SB 32 pass even if we did not do anything else. Their real issue was SB 32 and the bonding and he had the fear that if it was not amended into this bill we might run into trouble with 32.

Senator Waterman said she would like to go back and visit the vote on the "frozen" issue. She believed we needed to talk about that.

Mr. Tom Biladeau asked Senator Stang if PL 874 has been taken care of. Ms. McClure said Ms. Brannon had just handed her an amendment and she would ask Ms. Brannon and OPI to address that later on.

Senator Toews said he believed it was necessary to also look at the protested taxes that are being paid over a number of years. A number of schools did not take it all in one year, and if they are getting paid over a number of years he did not believe they would have the opportunity to move those through the system and back into the building project they have opted for.

Senator Stang said he was also interested in the protested taxes issue. He represents a lot of schools on the Bonneville Power BPA) line and he is not sure they haven't put them in a box in this bill.

Chair Blaylock said pursuant to a conversation with Senator Brown, in regard to being clear in our mind, he had asked Ms. Quinlan if she would go through and as best she could, lay out for us where we are vis-a-vis 667 and our total state budget. Nearly everything we are doing here is either costing money, saving money, shifting money or whatever and he believed it would be wise for us to say "this is about where we sit as a state in this huge problem of funding the K-12 school system for the State of Montana".

Madalyn Quinlan said she was not able to put this in the context of the entire state budget. She went to the LFA and tried to get some information on other bills out there and they have not started putting those kinds of sheets together yet for the end of the session. She started with the fiscal note for this bill as it came out of the House and then looked at the total expenditures under current law, the expenditures out of the state equalization aid account, given HB 667 third reading and then showed that for both '94 and '95 and handed out a sheet to the committee. (exhibit 2) Ms. Quinlan said the top half of the sheet should look like a new fiscal note as you are used to seeing them. In the lower half of the sheet, she had looked at the actions by the subcommittee and these are the approximate costs of the individual actions. She gave the example of requiring that districts reach the 80% funding level in three years instead of five years, created an additional cost of $.5 million next year. She said as the committee went through each of these actions, she would caution that the stacking order is important and gave the example of if ANB based on enrollment had been calculated prior to some of these other changes, it would have looked less expensive. She said the Auditor had run some numbers earlier that said it was $4.8 million in the first year of revising the enrollment from the current ANB to an average of enrollment. This would be $4.8 million versus the $5 million shown here. This spread sheet says, given the actions of the subcommittee so far, it is $3 million short, given the money that is available in the state equalization account in '94 and we are $13.5 short given the money that is available in the state equalization account in '95. There are two things that are not counted in here yet. One is special ed funding and how that will work in here and the other thing is that this is still assuming that the GTB level is set at 195% of the state taxable valuation and she believed the committee has already talked about lowering that number. This is still at the high number and whatever you settle at, the short fall numbers would be reduced by that. She said Curt Nichols also worked on these numbers.

Curt Nichols said these are run off the Auditor's model and he believed they were accurate.

Chair Blaylock said he had asked Mr. Gillett, on the weighted GTB, to run a sheet on the actual millage, rather than working off these percents because we did not know what these different percentages were and what they were driven off of, and that makes a difference.

Mr. Gillett said they did this on the retirement fund, not just the actual changes, but the actual current mill levies. (exhibit 3) He said this sheet is much the same as the committee saw earlier this morning except that would be current fiscal year of '93 mill levies to support retirement and the recomputed mills under the weighted GTB system. The first two mill columns, (example) the level 1 schools for Beaverhead County go down from 17.94 to 17.44, their subsidies under weighted GTB, go up from $132,084 to $139,769 and under the weighted system their mill levy goes down by 1/2 mill and they receive an extra $7,686 on the weighted GTB. He said this basically does that for the elementary and high schools for each county.

Chair Blaylock said Larry Fasbender who represents the Great Falls school system and is very familiar with this, has done some work on this since our meeting this morning. He asked Mr. Fasbender to explain.

Mr. Fasbender said after the motion was made this morning to go beyond just general fund and look at weighted retirement and also weight the capital outlay, he became a little concerned as far as his district was concerned.

Mr. Fasbender had looked at the amount of retirement mills we were levying in 1993 and also looked at the sheets the Fiscal Analyst put out that showed the increases or the decreases that were going to be experienced by the different school districts and counties in the state. One thing that is rather significant, while not consistent, in a lot of cases where you are looking at school districts such as Great Falls, that have a very high or fairly high mill levies right now county wide to cover their retirement, you are increasing those districts. In other districts where the amount is not that high, you are actually showing decreases.

Mr. Fasbender said this doesn't run the same all the way through, it varies, but generally from what he has been able to look at so far, the school districts that are already levying quite a lot for retirement are the ones that will have increases. He was not sure that was the intent or what you expected to happen by weighting the GTB. In Great Falls, by the time you weight the GTB for both general fund and retirement, we increase 11.65 mills over what we were before you had the weighted formula in there. On top of that, an area like Great Falls is already levying around 280 mills. (he thought 270 mills since 13 mills are out of that because they had a large amount of reserve money that went in to reduce their permissive last year) In looking at this, without a chance to spend a great deal of time going

through and doing some sorting to really find out what is happening, he thinks the committee may want to revisit whether they want to standardize the weighted GTB and apply it to all the categories they did. There may be some argument made for doing that with the general fund, he was not sure the committee ought to go ahead without doing a lot more work to find out exactly what is happening.

Mr. Fasbender suggested the committee may have to revisit taking a look at non-levy revenue again. Great Falls is not affected a great deal when we look at these things individually, but when you look at them in their cumulative basis, it changes things substantially. Non-levy revenue, for some districts like Savage, which was concerned about the fact that they were going to be hit, you have to look at the fact that to begin with, they were only levying 65 mills in their high school and 65 mills in their elementary, so they are very low in their mill levies to start out. He would not argue that the percentage increase is rather significant, but you have to look at where they are starting from before you get too concerned about what sort of increases they are experiencing. For that reason, and though he had not had a chance to look at the sheet that came out here, he believed it reflected much the same thing. When you look at some of those large school districts in the state of Montana who generally have fairly high mill levies right now, and look at the hit they are taking, he was not sure that was the appropriate thing to be doing if we are looking at some tax equity.

Senator Stang asked what the mill levy increase was for Great Falls elementary and high school. Mr. Fasbender said 11.65%, with retirement. Senator Stang said that is the 800 stop loss, general fund and retirement. Mr. Fasbender agreed and said in '93 they were already levying almost 31 mills for retirement and this would increase that another 3 mills. If you look at an area like Blaine County which levies basically 13 mills, and the reduction they are experiencing is about 1 1/2 mills, there is something wrong with a relationship like that as far as he was concerned.

Pat Melby said he would echo what Mr. Fasbender had said. While there may be some argument for using the weighted GTB in the general fund, and they were not arguing against that, there is a real problem in applying it to the retirement funds and also to capital outlay. Capital outlay, simply because we don't know what that will look like nor who is going to be issuing bonds or whatever. When you look at retirement, as Mr. Fasbender pointed out if you are looking for taxpayer equity, and that is what the purpose of applying weighted GTB to the retirement fund is, as a general rule it works the opposite of what you want it to do. The county he could see in there that was an exception is Petroleum County. If you look at the other counties that have an increase in millage under applying weighted GTB to retirement, they are the ones that already have real high mills in the state and those that are getting a decrease already have real low

mills. He would caution the Legislature, at this time, in applying weighted GTB to retirement and capital outlay. As Mr. Fasbender said, perhaps it is something that needs to be taken a look at, but applying it at this time does the opposite of what the legislature wants to do.

Senator Stang asked Mr. Groepper a question. He said this morning when we did this, we discussed the difficulty in figuring it two or three different ways. If we were to leave the GTB for retirement and capital outlay separate and calculated under the old method, and do a study on the cost associated with the retirement, non-levy revenue and this "deal", would it make a great difficulty for the OPI to fix up the forms and do this when you have two different methods.

Mr. Groepper said the fewer things you change, the less work we have to do. If your question is, can we do one kind of GTB and leave alone GTB for calculating retirement, then we don't have to change any forms for retirement or change our GTB calculation. He did not believe that causes a problem. He thought what Jan Thomson was trying to say the other day when we talked about this was that if we going to certify mill value for retirement, elementary and high school to school districts and it is done one way, then certify a different mill value done a different way and some of the districts that haven't been in these rooms during the course of these deliberations, aren't going to understand why there is a different method and they would just have to take the time to tell them. It is actually less work if you don't change retirement because we can just use what we have already pushed out to the school districts.

Senator Stang said, then it can be done and it will not "kill anybody". Mr. Groepper said anything can be done and he did not think they had "killed" anybody yet with paper.

Motion/Vote: Senator Waterman moved for reconsideration of committee action on weighted GTB. Motion CARRIED, Senators Hertel and Van Valkenburg absent.

Motion/Vote: Senator Waterman moved we not use weighted GTB for retirement and capital outlay and use the existing GTB for those as opposed to the weighted GTB. Motion CARRIED, Senators Hertel and Van Valkenburg absent.

Senator Stang asked OPI if we put some language into this bill to make you report back on the effects of weighted tax base on retirement, and capital outlay and even different portions of the non-levy revenue, would you have the resources to do that without having to get more FTE's. Mr. Groepper said we have a statutory requirement to make a report every 2 years to the Legislative council on the effects of equalization etc. He believed what was being asked is, would they include in that report analysis of the impact of capital outlay etc., we can do that. He reminded the committee they would have only one year, which will be a year

from this summer. Then we will have to get that information into the computer and do the analysis in time to get it to you in the legislature. He said time is the problem with the changes. By the time the reports follow up the actual implementation of the bill, we are leaving ourselves a window of about 2 months to analyze the information and get it to you by the time you start the '95 session.

Senator Stang asked if they need direction to do that, or do you think that will naturally follow as a part of your study. Mr. Groepper said, in his experience, it is always better to tell us what to expect. In case something happened that we were not here and somebody came behind, they would at least have that direction. It is one thing to operate on the faith of those of us standing here that we intend to still be here, and we do, but if you want to leave a record of what you would like us to include in that report he thought they would be well served to put it in the bill.

Senator Waterman said she was impressed with the group they put together on special ed and she thought it was that sort of background information we need on this. The mechanics of how you do that, as to whether it is done internally or put together a group, is up to you but she would rather have a group of educators and folks form OPI putting together that information than having the Legislature doing it. Mr. Groepper said if that is what you have in mind, and that is probably the only way you will get a real impartial look at how well the work you are doing this session has taken effect, but when they did the study for special ed, they had some federal money and used it to travel these people around the state and brought them in with federal resources. If you envision that kind of study, he would have to say to Senator Stang that we would need to have some kind of appropriation, and he could get a dollar figure on it, to cover the travel and per diem for these people coming to the meetings. He did not think the committee would expect them to travel on their dime, and he knew they will not be able to travel on OPI's after we get through with HB 2. We brought those people in four or five times (Ms. Nielson said at least six times) so they would need some sort of ability to bring some group of people in. We would need an appropriation if that is what you have in mind.

Senator Waterman said it seemed to her that when we come back in the next session, we need some sort of evaluation of the glitches that are in this bill that need to be worked out, of the non-levy revenue and weighted GTB tax basis. She would at least like to see a figure of what the cost for that travel would be. That would give us the background we need to shape this up the next time we come in.

Chair Blaylock said that could not be done in this bill, it would have to be done in the House.

Senator Stang said when we get off this bill he would make a

suggestion that we do as we do in some other committees and write a letter to the OPI that directs them to gather this information and make it a separate part of their report or whatever. He thought they could do it without travel since the superintendents travel all over the state and if they are interested in what is going to be done to their retirement and their non-levy revenue, their school district will probably pay to send them up here to keep an eye on it anyway. He thought perhaps the House could throw that into the conference committee.

Chair Blaylock said if this is to be a committee that is expected to meet several times, they will have to have some money since he did not think we could ask people to come in entirely on their own.

Capital Outlay

Chair Blaylock said revisiting this section was in regard to whether or not to, in effect, put Senate Bill 32 into this bill.

Motion: Senator Stang moved to incorporate SB 32 as it left the Senate into HB 667.

Discussion: Senator Stang said the reason he had brought up when this was discussed was that he believed it needed to be there for a little insurance.

Senator Toews asked what would happen if this bill doesn't pass and Senator Stang said then the part of 32 that is in this bill doesn't pass, but SB 32 will. If they both die we are in real trouble. Senator Toews said if this passes and 32 dies, we can still sell bonds, otherwise you have Whitehall and those sitting out there with no bonds.

Senator Waterman said speaking in favor of the motion. We have to do something in favor of capital outlay. If we don't do something about capital outlay, regardless of whether we pass an equalization bill, no one out there can sell bonds and we have schools that have passed levies and cannot sell their bonds and we will be back here in special session. She said she believed it imperative that 32 in some form passes and was not at all confident it would pass standing alone. We run the risk that this bill will die and 32 will die and then we are back in a special session.

Senator Toews said he would have to vote to let 32 stand by itself. Senator Brown said what concerns him is that we all understand 32, in some form needs to pass, and he thought it would, but if we put that in here we make the fiscal note on this bill look $2 million worse than it does. Essentially we would have two bills with fiscal notes, SB 32 and HB 667, both in conference committee someplace. We only have to count it once, but it still shows up here. Ultimately he believed it would pass and would be counted once, but he thought it made this bill

tougher to sell.

Senator Waterman asked if the funding for SB 32 doesn't come out of the school equalization account and Chair Blaylock said he thought it came out of general funds.

Senator Waterman said then we are taking $2.2 million out of the school equalization account. We amend it in here that we take $2.2 million out of the school equalization account, you are only going to fund it once and it is all coming out of the same pot of money whether it is in HB 667 or not.

Senator Stang said when this gets back to a conference committee and SB 32 is in one, we don't know what will happen to it. He said he doubted if the House will accept our amendments on 667 without putting it into a conference committee because we are going to want to sit down and revisit with the House what we did with 667. If somehow, between now and the time the conference committee meets on 667, you have reached an agreement with SB 32, it is no problem for the other conference committee to take it out of here. If you can't reach an agreement, you have another shot at it in here and he believed we needed a double shot.

Senator Brown said he believed it was as easy to put it in at a conference committee as it is to take it out, but he believed the votes were here in the committee to put it in.

Vote: The motion to incorporate SB 32 into HB 667 CARRIED, Senators Brown and Toews voting no, Senators Van Valkenburg and Hertel absent.

874 monies

Lynda Brannon said she, Kathy Fabiano and Gregg Groepper sat down last evening and came to the consensus that you could possibly use the 874 against the 80%, but they would be limited to an 80% budget basically if they had no tax base and could not use 874 above the 80%. They would have to levy the average of the prior year permissive mills.

Ms. Fabiano said basically, the policy decision before the committee is whether you want to allow districts to use 874 in the 80% area in place of a mill levy that would be subsidized by GTB aid. If the decision is to put the 874 money in the 80% area federal regulations will require you pay GTB on the amount of 874 used. Another policy decision you may have to make is, do you want to require some minimal taxpayer effort before you allow the 874 money to be used in that part of the budget. Any expenditure of 874 outside that 80% area would be done in the impact aid fund and outside the general fund.

Chair Blaylock said then we could take the 874 money and put it all into the 80% level and below in those schools. Ms. Fabiano said if you pay the GTB on the 874 you use in place of permissive

mills in the 80% area. She said they had agreed that is the only place you would allow 874 in the general fund. The other expenditures of 874 would be outside the general fund for any purpose the district chose in impact aid fund so those monies would not be subjected to the caps in the general fund.

Senator Stang said below the 80% level we can't subject those 874 schools to the caps so they could automatically go all the way to the 80% level and there would be no way to restrict their growth as we have the rest of the schools. Ms. Fabiano said they would be subjected to the same caps in the general fund that everyone else is. The 874 would be transferred in as a funding source within the 80% area, but only within that area of the budget and it would be transferred in place of mills levied to fund the minimum budgeting. She gave the example of a district where the budget is at the 70% level, they don't want to levy mills on their taxpayers within that 70% so they choose to transfer in some 874 money to fund the local effort in that part of the budget. Whatever they transfer in of 874, you have to pay GTB on. She and Ms. Brannon and Mr. Groepper had discussed that perhaps you would choose to have some minimum taxpayer effort before you allow them to use 874. We talked about requiring they deliver the average number of permissive mills levied by districts in the prior year. By March 1, we would report to the district what the average mill levies were by district, state wide, in that 80% area of the budget. The district that is funding 70% would have to first levy those average mills in the 70% area, we pay GTB on those mills, then they would transfer 874 funds to fund up to that 70% and we would pay GTB on those 874 monies as well. If they want to grow the 4% within that area they could still grow the 4%, the 874 is just one more funding source to fund that 4% area if they chose to use 874 instead of levy the mills.

Ms. Brannon said as she understood as they come up with this, the 874 districts would be under the same rules as everybody else for those who fell below 80%. They would be subjected to the same growth caps as everybody else under 80%. After they have once calculated out how much they had to levy so that the net base amount that would be left over after they calculated out the GTB subsidy from the state, they could backfill some or all of that levied portion because of the limited number of taxpayers.

Senator Waterman said they would have to levy the state wide average mills. Ms. Brannon said yes, they would be subjected to the same state wide average permissive mills from the prior year.

Senator Waterman asked what happens above the 80% level. Ms. Brannon said they will not be on impact aid funds or their voting, so they are not subject to the same caps as everyone else as long as they use impact aid money. Ms. Brannon said off in another fund, yes.

Mr. Groepper said within the general fund, he did not think

anything we talked about would suggest we create a separate set of rules for 874. Because of the problem of having to keep track of these monies, if they spend above the 80% up to the 100%, and they bring in 874 money and don't spend it all we have to go through this gigantic accounting nightmare to keep track of the 874 percent which was or was not spent. Our solution to this was for the 80% on above, just let the Indian impact district spend out of the Indian Impact aid account, then they can spend it on whatever they want without any restrictions on the general fund for whatever purposes they got that 874 money. In no way would you restrict them from spending their 874 money. You brought it in, and the way the bill is constructed right now, they are subjected to voting to spend it etc., which he did not believe any of the 874 districts really want to do. He said they do appreciate what Ms. Brannon has brought up about how to accomplish this to get districts up to the lower threshold. Once you decide what you want to do here, he thought they were okay with the concepts.

Senator Stang asked what happens to the 874 districts now under HB 28 when they're looking to the GTB. Do they use their impact aid money rather than levy the votes to bring it up. Ms. Fabiano said under HB 28 there is nothing that says they can not. They don't figure taxes on the 874 in that 35% area of the budget. In the forms we use, we can not tell if they are using it in that area. There are a couple that we know are, but by using that 874 in the 35% area, they are foregoing the GTB, and that is what the Dept. of Education is telling us no on, that is a violation of federal regulations.

Senator Stang said then they are not levying the mills, instead of levying the mills they are using the 874 money. Ms. Fabiano said right, and they are not getting GTB on it. Senator Stang said then the Dept says we can't do that. Ms. Fabiano said that is right.

Chair Blaylock said the first decision before us is, as Ms. Brannon suggested, do we want to allow the 874 impact aid schools to use their 874 money below the 80%. Following that decision it will take the second decision as to whether we want to subject the one taxpayer to also participate.

Motion/Vote: Senator Toews moved we allow the 874 schools to use their 874 money below the 80% to be matched by GTB. Motion CARRIED, Senators Hertel and Van Valkenburg absent.

Chair Blaylock said the next decision is whether we want to subject the one or whatever taxpayer to the average of the prior year state wide permissive levy.

Senator Stang asked if this would get us into trouble with the federal government by requiring them to use the minimum of the statewide permissive levy average, or do we know that. Mr. Groepper said he did not think we know whether that would get us

into trouble with the PL874 regulations, but given one piece of litigation that the Dept. of Revenue is looking at right now, we are fearful if will get us into trouble if we don't. You have equal protection constitutional guarantee in what you are setting up. You are not just setting this up for the three school districts Ms. Brannon is talking about, you are setting it up for 120 plus schools. If you don't have some average effort that has to be made by these districts on their own taxpayers as a condition of helping out the 874 districts, then you have created, for taxpayers in some districts, not to have to levy any mills to pay for what the constitution guarantees as education and somebody across the street has to levy a whole bunch of mills. He knew for a fact there is one law suit out there on the Dept. of Revenue that is raising that very issue as it relates to the mills for oil and gas. If you are going this way, you need to have some sort of effort there so you can argue and defend the issues that are going to be raised.

Ms. Brannon said since this method does not reduce in any way, fashion or form, any state aid, they cannot see on the surface how we can have any conflict on what is currently on the books in federal law.

Motion/Motion: Senator Stang moved we require a minimum tax base on the state wide average of permissive levy from the previous year. The motion CARRIED, Senators Hertel and Van Valkenburg absent.

Chair Blaylock asked if we have to do anything between 80 and 100 and Ms. Brannon said no, she would agree with Ms. Fabiano that it does make an accounting nightmare with the way federal law works. It would be much simpler to avoid this and just keep it in the other fund.

Chair Blaylock said if they can use the money in there, is there a danger that we will have a misuse of money as has happened in some of these schools. Ms. Fabiano said the danger stays the same.

Senator Waterman asked someone to review for her how the budget caps above the 100% worked when this bill came over to us. We didn't force them down, we froze them, but was it voted or permissive.

Andy Merrill said it is easier to look at the title of the bill to figure out what happened. She referred to page 2, lines 11-13 and said on the House floor when Rep. Kadas amendments on the 90% were done, it was changed to one year you would freeze, you would be exempted from voting for one year, not 2 years. When we did your amendment the other day, we just left in the one year exemption, but you could choose to do 2 years, 3 years or whatever.

Senator Waterman said as it now stands, districts above 100% are

frozen, they are not forced to spend down and for the first year they do not have to vote, but after that they have to vote anything above 100%. Andy Merrill said yes, but there is a budget authority and it is not going to move unless they want to drop it down below. They will not be increasing. This whole bill is built on budget authority; you go to the voters for your budget authority, not just the cash or the mill levies. Their budget cannot move except to move downward, and the question is do you want to make them go to the polls to vote on a budget that is not going to move anywhere but down.

Senator Waterman said her feeling is that they should have to vote it because everybody else is having to do so. She felt it was ludicrous to require people below 80% to have to vote and not require a vote of the people above 100%. She assumed they would get voter approval, but it seemed that to have the only voters who do not have to vote a levy be the high spending districts, it is crazy. She said the fact that they have to vote is the trade off for freezing rather than spending down. If their voters won't approve it, they have real problems since it will not cost them any more money.

Senator Stang said he tended to agree with Senator Waterman, and thought it was better to have it voted because those people that are in those high spending districts should know they are in a high spending district. If they still want to support their school at that level, that is great, but maybe they need to know their school is above the 100% level.

Carol McElwain, Butte, District # 1, said she was a trustee and they were holding their trustee election today with no voted levy, waiting to see what you decide for us. She said they appreciate the freeze, it really helps them in Butte. If you want us to tell you we are a high spending district, we will tell you that, we know that we are, we have dealt with that with our teacher mediation and recently with the strike. In the next 2 years, for us to tell the people in Butte "you will receive nothing more for 2 years, 4 years, 6 years or more will not set well with the voters. For us to go to our people and tell them we are going to keep cutting them, we are going to make the students in our district move around to equalize, and we will have to do that, she knew. She said they have 9 unions with which they have to negotiate, 5 of which come up next year. Of those the two largest, are our teacher's union and our administrator's union. We will have to be negotiating with them with a freeze. We will have to negotiate with the teachers with a freeze. We will have to negotiate with the parents about flat rates with a freeze. We will have to talk to our taxpayers who will receive no more services, and to our teachers. We are now in the process of notifying 100 teachers now that their jobs are on the line. even with 21 teachers that are retiring. She said they had two administrative positions they did not fill this year, and did not replace them because we knew we were a high spending district. They are now in a huge controversy about

boundaries and they are also negotiating contracts. She said in Butte they will vote against a mill levy because of a band not being in the parade, or because it is in the parade. They will vote against a mill levy right now no matter what, because they are angry. They will be angrier when we say no more money. She said they need at least two years to get Butte equalized. They have so many controversies going on and need at least two years to get themselves stabilized and at least show the people in Butte we can be responsible taxpayers.

Chair Blaylock asked if she wanted the authority to have permissive levies for two years to stay where they are and do not want to vote it for at least 2 years. Ms. McElwain said if they are going to be frozen in 2 years, they will have to deal with all this controversy they need at least 2 years to try to get things balanced out.

Chair Blaylock asked for clarification, he said Ms. Mc.Elwain had said they had a boundary dispute and asked how they could have a boundary district with themselves. Ms. McElwain said what happened to Butte over the years is that it has been easy to pacify parents if you have a school across town with 15 students and 32 on the other side. It is easy to add two teachers in the 32 pupil school rather than to equalize and change students from building to building.

Senator Stang said he has a number of schools districts in his district and Ms. McElwain has just described every one of them and every one of those districts will have to go to their voters if they want to come up to the 80-100% level. He could not see why one or two school districts in the state need to set a precedent for everybody else in the state. He believed they need to vote the levy, they are going through the same problems every other school district in the state is going through. It is unfortunate, but that is the way it is out there in the real world.

Ms. McElwain said in Butte, their voted levy is one third of their budget. It is $6 million and if they didn't get that the kids in Butte would not be getting an education and they will be frozen for the two years and cannot give them anything else for that.

Senator Waterman asked what the amount for Butte was between the 100% level and where you are, how much above the 100% level are you and Ms. McElwain said 6% in the elementary and in the high school about 9%. Senator Waterman said that was what she was talking about voting. At a minimum you have to vote above 100%, not the whole third of the budget, and Senator Stang said that was also what he was talking about, that part over the 100%.

Mr. Biladeau said all of you have already heard from the Superintendent of Hardin or Colestrip. We have had this general discussion about equalizing up or down and if one goes this

route, the practical impact is that we will see a good number of levies fail. We will see those fail just as surely as he thought this motion will pass. The impact of that on those districts will be devastating. To the degree that this bill continues an over reliance on property value to fund it, to the degree the state refuses to put more money into the base, to the degree that the base does not come up by some degree of COLA (cost of living increase), you are going to commit those high spending districts to budget down and that will eliminate programs and adversely impact the quality of education we are offering to some students. Those students have already been found by the Court to not enjoy a frill education, but a quality education. This does not make good sense.

Senator Brown asked if this bill has been amended to the form it is in now before it left the House of Representatives in regard to this. Representative Boharski said the way the "negotiated agreement" in the House was passed, the reductions in the budget, the 0%, 1%, 2% etc., we agreed to go with 2 years of permissive, but then when Rep. Kadas put in his amendment on the House floor it returned to only 1 year of permissive and now he believed if the House Select committee would have frozen the budgets over 100%, he did not think they would have put 2 years of permissive in it, he thought they would have left it at 1 year.

Representative Kadas said he agreed with Senator Waterman and would go further, he would provide for some voted levies between 80-100%, but you have decided not to do that. You at least ought to have voted levies above 100%.

Senator Brown addressed a question to Ms. McElwain saying she was telling the committee if she had two years to freeze that it would soften the blow for you considerably and you don't want to have what would amount to a freeze for one year. He said he was not sure, but what happens in the second year. Ms. McElwain said they would stay frozen again.

Senator Waterman said she would expect her back in three years asking to not make you vote it again because your voters are going to be real mad by then because you are going to have to cut programs.

Senator Brown asked what we gain by making their voters mad and Senator Waterman said she was just repeating what was said. She was saying why would we require a vote of people who are spending 60% of the maximum and not require a vote of those that are spending 140% of the maximum. At this point, the only people that are required to vote are people who are not spending what we believe they should spend for quality education and yet we will not require a vote of the people who are spending half again as much.

Senator Brown said he believed it was necessary to recognize the practical effect of this. If we are hurting people and there is

a way we can lessen the blow and help to bring about a reform he believed it should be done instead of talking how academically they are below "this" level we ought to cause them to vote at "this" level. He asked what happens if it doesn't make good sense.

Chair Blaylock said he remembered when Senator Brown was quite passionate about below the 80% and we were talking about allowing them to go up permissively. Senator Brown said he thought a mistake had been made because we are spending too much money there as he looks at this. Chair Blaylock said, but you wanted to vote it there. Senator Brown said he was not hung up so much on a vote as trying to hold the fiscal note down on this thing.

Senator Stang said he has spent a lot of time in Butte and it is hard to speak for the voters in Butte, but the people in Butte seem to take really good care of their kids. They have some of the nicest parks, they have little ice skating rinks in every community and have taken good care of their kids. He believed the people in Butte would keep taking care of their kids in Butte. The kids in Butte are probably the most important asset to that town and the voters may be angry, but if they understand they are frozen at this level and that if they don't vote this levy in their kids will not get to do some of the things they are doing, he would bet those people in Butte would vote to keep that levy there. The kids in Butte have always been the most important thing to the people in Butte, they would do away with a lot of things in Butte, but he believed they would take care of their kids.

Ms. McElwain said if Senator Stang's argument is correct and you honestly believe the people in Butte would take care of their kids, then what's the problem. Let's do it just permissively and let us take care of it there without having to expend energy for the education of the students rather than have to try to pass the levy.

Senator Stang said he would respond by saying we are asking everybody else who takes care of their kids to do it with a voted levy, let's ask Butte to do it with a voted levy for consistency.

Chair Blaylock said he believed one of the successes of this committee is the fact that we have had such good participation by people, not only at the table, but those that have attended faithfully and contributed a lot.

It was pointed out there was no motion made on this issue since nothing was being changed, and it would stand since it would take a motion to change it.

Enrollment

Chair Blaylock asked Ms. Quinlan if she had the figures on enrollment and she handed out a sheet. (exhibit 4)

Ms. Quinlan said the piece she handed out shows $5 million. The numbers the Office of the Legislative Auditor (OLA) ran were about $200,000 lower than that each year but these are the figures that Curt Nichols calculated. The ball park is for this $5 million.

Senator Blaylock said $5 million a year, the ANB based on enrollment, more than we are doing now.

Senator Stang said he had a Superintendent call him and he was livid that we had moved this to enrollment instead of attendance. The people here seem to be in favor of doing it on the enrollment basis on the 2 days, dividing it by 2 and averaging which seemed to account for increases in your school during the year. He asked why would he say that attendance better accounts for the increase. Ms. Quinlan said first, if you base it on attendance, you are taking a daily enrollment count and every day that a kid is there (for instance 3 months during the legislative session), they will be counted in that attendance count where they might not be counted if they are not there on October 1 and not there on February 1, they wouldn't be included in the ANB count we are proposing. The other reason a district might not like this is that if they have declining enrollment we will catch up with this. Senator Stang said this district has increasing enrollment and Ms. Quinlan said then it should work for their benefit.

Dori Nielson said she had some letters also, and thought she knew the answer. They seem to think we will discount them for getting the 7 PIR (Pupil Instruction Related) days and that is a concern about 3 of them had when they talked to her. This does not exclude the PIR days, they are still added on top of it. That might be what is concerning them.

Senator Waterman said the thing she liked about this is that districts have always had to keep track of enrollment every day and there is provision that if you are gone more than 10 days you get dropped, etc. and it is a calculation nightmare to keep track of enrollment. This seems much simpler and many states do an enrollment and have a contest to make sure the kids are there on that day.

Senator Stang said enrollment means the kids enrolled, it does not mean they have to be in school on that day. If half the kids have gone to a basketball game on February 1, they are still enrolled. ANB is based on the number of days they are there, minus their absences and then calculated and divided by the 100 plus days. Wouldn't it stand to reason that their enrollment on October 1 is probably going to be one of their highest days and February 1 probably much different and would possibly be down a little but not their lowest.

Ms. Brannon said in answer to Senator Waterman's statement, she believed even though the count would go to enrollment on 2 days, keeping daily attendance is still going to be necessary and she

believed in the scenario Senator Stang gave, she believed that is what they are upset about. They don't give up one for the other, they are just adding on top of what they already have.

Senator Waterman asked why they need to keep the attendance record if we are going to enrollment counts. Mr. Waldron said you have to keep enrollment so you know what your youngsters are doing and to report to the parents. You would not have to file a report to the state, and personally he did not see a big problem in taking that one away. He believed it would be easier for the auditor. When you audit the ANB, this might be an easier way to have the audits come out without discrepancy which would be an advantage. To answer the point about the basketball team being away, that is not a problem now and shouldn't be a problem in the future. The only thing he disagreed with was the fiscal impact. Once we do the catch up and get those kids rolling, those additional kids will be there no matter what happens and he did not see why it continues to be in the second year of cost.

Ms. Quinlan said it is not a compounded cost, it is just a continued cost. You jump up once. Mr. Waldron said once we are up there we will go on, but once we take the bite, it should level out with the other one.

Chair Blaylock said it is $5 million the first year, it will not increase, but you still have to plan on spending the $5 million but it is not an addition.

Senator Toews said he was not straight on how you get to $5 million, that is a pretty good jump. He asked what is being added in to get up to $5 million. Ms. Quinlan said we are adding about 1700 additional students. We take the enrollment count and jump up to make it a more recent semester. You will be driving a previous school year and a previous calendar year and because we have growing enrollment in the state, we are picking up 1700 kids earlier than they would have been.

Chair Blaylock asked if that is where most of that expense is coming from and Ms. Quinlan answered yes.

Senator Toews said in making that assumption, then the beginning chart we start with is off because we have 1700 kids we have not plugged into that base and our fiscal note, for all practical purposes, is really wrong as per the system we are actually functioning under now.

Senator Waterman said if she was correct about what the House did, they used '92 enrollment figures as their base and then took $40 million away from it and did not count the fact that these students were there.

Ms. Quinlan said the House used fiscal '93 ANB and fiscal '93 budgets in this whole process when you look at the district by district analysis. Then we recognized that going into '94 and

'95 enrollments were up for the state. The reason they were looking to save $40 million is because of those additional students. Even under the foundation program we were looking at an additional $40 million cost because of those new students. They are saying we don't want to spend any more money in the '95 biennium than we are spending in this current biennium and given that we have these additional kids, how much do we have to cut back the state money per pupil. The enrollment growth is recognized in the model whether you use ANB or whether you use enrollment. If you use enrollment those kids get into the system faster because we are moving up a semester.

Chair Blaylock said, you are saying when the House says we have cut $40 million, we are leaving the budgets, in effect, as they are this school year and refusing to recognize we have a lot more kids to educate. Ms. Quinlan said we are leaving the state support where it was. Chair Blaylock said we are leaving the state funding where it was but we will educate about 7100 more kids. Ms. Quinlan said that was correct.

Senator Waterman proposed to leave the enrollment as it was set yesterday.

Senator Brown asked if that was correct. This (exhibit 4) appears to show that ANB based on enrollment, expenditures go up $10 million over the biennium which was by an act of this subcommittee. Senator Waterman is saying she wants to leave this action in effect. He asked if he understood correctly that we would just continue to spend that $10 million.

Senator Toews said you can still make the adjustment. If you want to get it back to revenue neutral, you would have to go back and change your amount per student. This would be the correct thing to do, to move our enrollment up to where it is correct, face it square up and then go back and roll back the per student amount. Senator Waterman said she thought this was better because we actually recognize the kids that are there. We should not be basing this on a lie about how many students are there.

Representative Boharski said the bottom line is what you are going to do in the last action you make. This adds another $10 million to the cost of HB 667 that would have added an additional, maybe, $10 million to the current funding structure. He said he would not argue that this might not be a good idea, but remember, at this time, by moving forward right now we will hit the property tax payers because all this is going to cause a drop in the GTB level and an increase in local levies.

Senator Waterman said the students are there and so if we are going to build a system, let's be honest in building it and recognize the students are there.

Ms. Quinlan said when districts do their first enrollment count as they will do this fall, if they have more than a 6% increase

in their enrollment they can come in and apply for additional state aid and that amount was around $400,000 for this current school year. Because enrollment is jumping that much more into the next two fiscal years, there is an amount there that we haven't counted into this yet, that the state will be paying out for these additional students coming into the system. Some of this $5 million cost would get paid out anyway, and she would guess it to be about $1 million.

Chair Blaylock asked about changing the ANB reduction factors from 50 cents to 20 cents (exhibit 4, 4/2). Senator Stang said he thought that was the question Senator Gage had asked, and that is why it is on the sheet. We know the affect of that, but did not think we needed to do that at this time. He was not sure at this time the committee wanted to play around with those figures since each penny has a pretty big impact.

The feeling of the committee seemed to be to leave this issue alone, and Chair Blaylock said that is what would be done.

Protested Taxes

Senator Stang said there seems to be a great fear out there that this bill does not address the protested taxes and the way some of these people have been using them. He did not know who to ask.

Ms. Quinlan said she believed the issue is that if a district gets a protested tax settlement, are they going to be able to spend it in their budget and where are they going to be able to spend it. Senator Stang indicated that was the issue and Ms. Quinlan said when a district gets a protested tax settlement, they have to deposit that money in the funds that were protested. If the district had a general fund, transportation and a retirement mill levy in the year for which the taxes were protested, they would have to deposit the protested money in the three funds in proportion to the mills that were levied in the protest year. She understood this question came about because of the capital outlay issue and we have not done anything to eliminate excess reserves in the general fund, so if the district gets protested tax money, they can reserve it over and above their 10% operating reserve and when they choose to spend it they can spend it to reduce their voted levy. They don't have to use it to reduce their permissive levy and therefore reduce their state aid. They can put money in excess reserves and when they spend it they can use it to reduce their voted levy and also in terms of this capital outlay amendment you adopted, in the first year when they can no longer build out of the general fund, we are saying if a district had set aside these excess reserves, planned on a building project and are now saying you cannot build in the general fund, we are allowing them a one time transfer of that money into the building reserve fund so they can still do that building project.

Senator Stang said he had one school that has a federal grant and they may take more than the one year to complete that. If they put that money into their capital outlay the first year, will they be able to use that further down, or not. Ms. Quinlan said they can take that federal impact grant and put it in their building fund which is a non-budgeted fund.

Senator Stang asked about the protested taxes they will use to match that with. Ms. Quinlan said they can transfer those monies into the building reserve fund this year. Senator Stang said they don't have to use them this year and Ms. Quinlan said no.

Senator Stang said there is another district that had been using their protested taxes to add teachers to their budget. This will not affect the way they do that because they can still take the protested tax and put it into their general fund from their excess reserves as they need to use them and still keep their excess reserves, so it shouldn't affect those actions. Ms. Quinlan said the only thing different under this bill is what Ms. Merrill talked about, that you have to vote any spending above 4% greater than previous year. It is not just money that comes from property tax levies. If you want to spend those excess reserves, you have to vote yourself the budget authority to do that if it is greater than 4% of the previous year.

Senator Stang said if they were under HB 28, they couldn't use these reserves over and above their 195% or 104% anyway, so basically this will do the same thing to that district that we were doing before, only in a different way. Ms. Quinlan said we do have a budget amendment process where a district can come in and they can exceed the cap one time to spend settlement money or protested taxes, or tax audit money for deferred projects and that part of the language hasn't changed, either.

Senator Stang said you feel these issues have been addressed. Ms. Quinlan said she believed it would not be any different than it is under the current law.

Senator Stang asked Don Waldron the same question. Mr. Waldron said what the district he is talking about is it has decided to take this amount of money and spread it over three years. They had to lay off teachers when their taxes were protested and they went back and hired a couple and want to add a couple more this year. They want to do some asbestos work, getting some things ready for handicapped, and buy some technology. They have decided on a three year program to use up that protested money. They are afraid that they will have to put that over in a capital outlay and from what he heard Ms. Quinlan saying, they can put it in excess reserves and use it each year. There is one little problem left. They have an amendment for this year and want to know if they can add their budget plus the amendment to get a new budget for the 104%. It would be 104% of their last year's budget without the amendment. He gave the example of $100,000 last year, they came to you and asked for a $20,000 amendment and

you granted it. They used this money for that amendment. What is their budget for this year. They are in the 80-100% level. Ms. Quinlan said their budget is the originally adopted budget, not the budget with the budget amendment but they can come back for another budget amendment in the next year to spend these excess monies if it is for that purpose. Mr. Waldron said for the three years they could use it out, and said he believed that answered the question they were concerned with.

It was decided this issue was taken care of and the committee did not need further action on it.

Senator Waterman said she believed we had to get to the bottom line that was bothering Senator Brown. As much as she did not like the idea, she did not believe we could send this out without it being balanced unless something like the realty tax bill passes that has additional revenue or somebody has some great idea where we are going to come up with more money for it, we need to adjust that percentage to match revenue neutral, given what we have done to the bill.

Senator Toews said he did not want to move that number. We can just take the amount per student and move that down. Ms. McClure said it is already 179, it is not at 195 any more.

Senator Toews asked if Mr. Gillett could speak to that. He asked the question of how he could get revenue neutral without taking everything out of this bill. Mr. Gillett said the issue of revenue neutral is an issue in the eye of the proposer. If you were to lower the percentage, you could save money, if you were to raise it, you could add money back in. As you lower that number, local mills go up; as you raise that 179 number (which it became in adopting Ms. Nielson's # 2 option), it will cost the state more and potentially, the local taxpayer less. Saving another $13 million will be a serious hit on that 179% level.

Senator Toews asked why we have to play with the 179 figure because that refers to GTB. Mr. Gillett said there are a number of combinations, he was using the 179 because that is the one everybody has been talking about. Unless you were to play with the $18,000, the $200,000, the $3500 and $4900, no matter which of the state cost numbers you play with, if you move those you lower total available school budgets and wind up with more folks above the maximum line and in the frozen situation. You will, in fact, mitigate state costs and local mills if you do that, but you provide the districts with less budget and suspected you would get comments from school folks on that. We could do any of those things and tell you what the ramifications are.

Senator Waterman said the 179, if we leave it where it is, we have to come up with an additional $16 million of state money. Mr. Gillett said he thought the $13.5 million was cumulative. Ms. Quinlan answered yes. Mr. Gillett said you do not add the two bottom lines, the $13.5 is cumulative. It is $16 million we

are talking about.

Senator Stang said just to clear up the 179, didn't we just do that for special ed only. Ms. Waterman said that is where we got the money, though. Senator Stang said we left the percentage and only used the 179% in the special ed and that would not change anything over here yet. Senator Waterman said yes, we did.

Mr. Gillett said another figure on this sheet (exhibit 4) your actions on the retirement fund, to remove weighted GTB from that, caused another about $1.6 million in that deficit, so you are talking more like $18 million instead of $16 million.

Senator Waterman said she believed we need to take something to the full committee tomorrow morning that brings this into balance and did not have any trouble with running a couple options for them, unless the committee decided not to, but thought we needed to decide whether we do this based on that percentage, and at this point that would be her preference, or whether we are going to lower the base entitlement or the per pupil allocation. It seems those are the three choices we are facing or tell we will have to tell everybody to come up with more money.

Mr. Gillett said you could change from 40-40 to 30-50, but those two need to add up to 80. You could do that and it would be effective, the same as lowering the percentage. You raise the local mill levy saying you lower the state contribution. He said as a point of reference, thinking back to the numbers he and Ms. Nielson computed last evening, to get the $6.3 million approximately, it was necessary to lower from 195 to 179. The numbers you are looking at here are about three times that big and you would be looking at lowering from 179 to about 130 which is about where GTB is at now. It is currently at 121 and it does begin to affect the percentage of equalized dollars in the system to a very serious extent.

Senator Blaylock asked what number would have the least effect on equalization and Mr. Gillett said if you move the 40-40 to 30-50 you would have fairly serious consequences on the equalization in small schools. The 40% direct state aid, because that is on the base entitlement which is very important to small schools and would have a very serious effect on the percentage of equalized dollars on the small school. If you lower the GTB, although now that GTB in the general fund is still on weighted, it mitigates a little bit, the effect of GTB, but those affects are more on the larger schools. He said he could sympathize but this is a public policy question and there really is no easy answer.

Chair Blaylock said with no easy answer, we either get more money or we go out there and face these schools all over the state that will really be hurting.

Senator Waterman asked how much the non-levy revenue raises. Mr. Gillett said the amount of non-levy revenue involved in that

situation is in the neighborhood of $19 million per year. He said his understanding was that you automatically use a portion of that when you take it and you make those districts eligible for additional GTB aid because they now do not have those revenue sources. It leaves you with about $11 million actually.

Senator Toews said if we came back at a later date and said we were going to give an increase to everybody in the state, we are going to make it equal through the whole thing; aren't we going to come back and raise those 2 mills we get per student on high school and per student elementary. Isn't that how we raise and lower it. Senator Waterman said it depends on how evenly you want to raise it. Senator Toews asked how we are going to do it in the future and Senator Waterman said that Senator Stang is going to work on the base entitlement and she is going to work on the student allocation.

Chair Blaylock answered Senator Toews by saying there are all these combinations of things you could do, but there is no escape, if we lower these things, the schools are getting hurt more and as you can put more money in everything looks better.

Senator Toews said he did not have a problem with it for this time, but if we are going to do it in the future, such as a 4% or 5% inflation, if that is what we are going to do then, we can do the reverse of that now. If we have established the 179 figure and the bare number for GTB, then that is a fair number for today, tomorrow and the next day and we just need to go back to whatever the variable is and use the variable with the per student allocation. Senator Waterman said or the base entitlement and Senator toews agreed, or the base entitlement we could go back to.

Senator Brown asked if we know how to calculate that if we "fiddled" with the per student allocation and Representative Boharski said they had a discussion about this early this morning and Mr. Gillett could answer that question.

Mr. Gillett said the equalization properties of the system were designed in the beginning based on current school spending patterns. Those four numbers in combination, are a result of an analysis of current school spending patterns. Moving one without the other, he believed had potentially serious equalization ramifications. He would suggest if you are going to change those numbers, you do it on an equitable basis. The way the computer model is designed, if you want to move those numbers with a half dozen key strokes, we can say "take 99% of each one" so each would come down 1% rounded to the nearest $10 and you can see what is happening. You can see what is happening to school budgets and mill levies and everything all at one time. You could also go 2% down or 3% down and see what it might do. He said he would suggest using them in tandem because that has the least negative effects on the package equalization properties of the system.

Senator Waterman recapped to understand the affects of manipulating by saying if we send Mr. Gillett down to his computer and tell him to punch numbers and reduce the base entitlement for student allocations and expose the amount in stop gap, that will have the effect of lowering the $16 million which will lower the amount of money available for school districts to spend. Mr. Gillett said that is exactly right, or the budget flexibility into the future. Senator Waterman said if we alter the percent, the districts have the money available to spend, it is just how much they contribute from their tax base. Mr. Gillett said that was correct.

Senator Waterman said she would argue that students are going to suffer enough with the $40 million that was taken out of this budget and ought not suffer any more by playing with those numbers. It is time we increased the taxpayer, recognizing that it throws some question on the amount of state contribution, but frankly, we have made a philosophical decision to not contribute money to schools and we have to live with that, but she did not think we needed to take it out of the students hide at this point. She would argue that we alter the percentages.

Mr. Gillett said he had given the committee earlier, the chart on what COLA in the second year on a 1%, 2% etc. might cost you. If you were to lower the budget factor you are talking about an "unCOLA".

Senator Waterman said you are essentially looking at a 4% decrease on top of what you have. Mr. Gillett said this is annual and you are looking at $16 million to $18 million biennial, so you would be looking at about 2 1/2%. Senator Waterman said that would be on top of the 5% they have already taken a hit on. Mr. Gillett said when the House took the $40 million off, they did not change the budget calculation, they lowered the percentage.

Chair Blaylock asked if this subcommittee would like to leave this that we make our report tomorrow morning on all the things we have done and say "we have left you this one little problem to solve".

Representative Kadas said he thought the Senate had passed the Realty Transfer Tax to minimize reductions to schools. As far as he could tell that was not being taken into account here.

Senator Stang said if he wanted to split the difference between the old state support and the new state support which is about $15 million, he would want to know how we could do that. Would we change the percentage or go back to the same argument of per student allocations to do that. Mr. Gillett said he did not have a specific answer and could not tell them what the best combination would be. He suspected if you want to add money to this bill, however you want to add it, it will be fine with almost anybody in the school community. You could change the 40-

40 to 50-30 and that would be more important to small schools, you could change the GTB percentage which would probably be more important to big schools.

Senator Stang said if we took the percentage from 179 to anywhere above that, it would be better. Mr. Gillett said if you go back to the 195 that spends about $6 million a year.

Motion: Senator Stang moved we increase the percentage to put about $15 million more into this bill than we have put in.

Discussion: Senator Stang said the reason he did that is because he thinks it is time the state took their responsibility to fund the schools. It increases the percentage and he believed we have dumped enough of this on the local taxpayers long enough. They are state schools and if we do this it will further reduce property taxes or eliminate the need for property tax increases. He said there were enough people mad when HB 28 increased their taxes without being able to vote with 105. This will keep that from happening again as we play with school funding. He said there wasn't anybody that came up here and told him to increase their income tax or their Realty Transfer Tax either, but they have told him not to increase their property tax. They said if you have to fund schools on an equal basis, there are two ways we don't want to pay for it. 1) The sales tax and 2) property tax. He voted to raise the Realty Transfer Tax and will probably vote to raise the income tax. He has always been willing to vote to pay for what we need and believed this is a figure that will throw it out there that will definitely get this bill into a conference committee and in the end result, this figure will be figured out on the last 10 minutes of the last day.

Senator Brown said he believed this motion would kill any chance of any bipartisan cooperation of the bill. You might get it to the conference committee on a party line vote, you might not even get it out of the Senate.

Senator Toews said he would not vote for that amount of money, but to get it discussed he would let it come out of this committee like that, if he could see figures that would take 2 1/2% off this and run a chart like that, he would like to see it. (the unCOLA)

Senator Stang clarified his motion at the request of the Chair. He said it was to put $15 million back into the budget where it says new state support and do so by adjusting the mill guarantee percent for GTB percentage, probably somewhere around from 179 to 195, which we figured at about $6 million, so this would adjust that to about 220%.

Senator Waterman asked if that is in addition to making up the deficit we made in the bill. Senator Stang said that is what the Realty Tax Transfer was, as a wild guess.

Vote: Senator Stang's motion to put $15 million back into state support CARRIED, 3 voting yes, 2 voting no, Senators Hertel and Van Valkenburg absent, roll call vote.

Motion/Vote: Senator Waterman moved the subcommittee recommend the bill as amended to the full committee. Motion CARRIED 3-2, roll call vote.

Senator Stang said when we offer this to the full committee or bring it to the floor he suggested it be noted there was good bipartisan support for everything except the last amendment.

ADJOURNMENT

Adjournment: 5:45 p.m.

CHET BLAYLOCK, Chair

SYLVIA KINSEY, Secretary

CB/sk

ROLL CALL

3 PM

SENATE COMMITTEE Subcommittee on HB 667 DATE 4/6/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Blaylock	✓		
Senator Brown	✓		
Senator Waterman	✓		
Senator Hertel	✓		
Senator Van Valkenburg	✓		
Senator Stang	✓		
Senator Toews	✓		

FC8

Attach to each day's minutes

E 1

ROLL CALL VOTE

SENATE COMMITTEE SUBCOMMITTEE ON HB 667 BILL NO. HB 667

3.'56

DATE 4/2/93 TIME 7 a.m. A.M. P.M.

NAME	YES	NO
Senator Van Valkenburg	—	—
Senator Brown		✓
Senator Waterman	✓	
Senator Hertel	—	—
Senator Stang	✓	
Senator Toews		✓
Senator Blaylock	✓	
	3	2

Sylvia Kinsey
SECRETARY

Chet Blaylock
CHAIR

MOTION: Put SB32 in 667

Put SB32 into HB 667

Eng

ROLL CALL VOTE 512

SENATE COMMITTEE SUBCOMMITTEE ON HB 667 BILL NO. HB 667

DATE 4/2/93 TIME 7 a.m. A.M. P.M.

NAME	YES	NO
Senator Van Valkenburg	—	—
Senator Brown		✓
Senator Waterman	✓	
Senator Hertel	—	—
Senator Stang	✓	
Senator Toews		✓
Senator Blaylock	✓	
	3	2

Sylvia Kinsey
SECRETARY

Chet Blaylock
CHAIR

MOTION: Stang — 15 / DO PASS moved $15 million back into State Support

Eng

ROLL CALL VOTE

5!19

SENATE COMMITTEE SUBCOMMITTEE ON HB 667 BILL NO. HB 667

DATE 4/2/93 TIME 7 a.m. A.M. P.M.

NAME	YES	NO
Senator Van Valkenburg	—	—
Senator Brown		✓
Senator Waterman	✓	
Senator Hertel	—	—
Senator Stang	✓	
Senator Toews		✓
Senator Blaylock	✓	
	3	2

Sylvia Kinsey
SECRETARY

Chet Blaylock
CHAIR

MOTION: Thom rec. CP ✓

Recommend Bill as Amended

EOG

Sept 1 - 4:6: 3PM - Mtg 2

HB 667 SUBCOMMITTEE ACTIONS

(1) Caps:

Growth Limits Below 80%:

Greater of:
(a) 104% of previous year GF budget;
(b) 104% of previous year GF budget per-ANB x current year's ANB; or
(c) (i) 33 1/3% of range between GF ending June 30, 1993 and BASE July 1, 1993;
(ii) 50% of range between GF ending June 30, 1994 and BASE beginning July 1, 1994; or
(iii) remainder of range between GF ending June 30, 1995 and BASE beginning July 1, 1995

(d) Voted required to exceed above budgets

80 to 100%:

Greater of:
(a) 104% of previous year GF budget; or
(b) 104% of previous year GF budget per ANB x current year's ANB

(c) Voted levy above 104%

(d) Removed Kadas Amendment on vote above 90% and optional vote provision.

Above 100%:

Districts "frozen" at:
(a) district's GF budget for current school fiscal year; or
(b) the maximum GF budget for district in current school fiscal year.

** Note: Except for fiscal year July 1, 1993, HB 667 still requires vote in second year.

(2) Administrative costs: Removed the Wanzenreid amendment to limit administrative costs to 95% of 2-year average.

(3) Capital outlay: Removed capital outlay expenditures from GF

Coordinate HB 667 with SB 32

(4) Weighted GTB: Use weighted average GTB for GF and

retirement in HB 667 and capital outlay (in SB 32)

HS Stop/Loss: Changed High school stop/loss from 1,000 to 800

(5) **Special Education:** Voted to use OPI option #2 to revise the current GTB HB667 value to extend the permissive range for special education purposes based on 10%, 25% and 65% ratios to incorporate the current concept but redistribute the dollars in the permissive levy GTB support. (Means $5 million in GTB. Changed GTB value from 195% to 179%.

(6) **Non-levy revenue:** voted not to include non-levy revenue in HB 667

(7) **COLA:** voted not to include an inflation factor in HB 667

(8) **Transportation and retirement:** voted not to include in HB 667 except that weighted GTB (county total value/county total per-ANB entitlements) used for retirement to match weighted GTB language for GF use.

(9) **No Decisions on:**

(a) changing per-ANB reduction factors from .50 and .20

(b) enrollment change

(c) vote on "frozen" districts' budget

(d) House $40 M cut

Senate Select Committee on School Funding
State Support for Public Schools

	Fiscal 1994			Fiscal 1995		
	Current Law	HB 667 Third Reading	Difference	Current Law	HB 667 Third Reading	Difference
Expenditures						
Direct State Aid	362,375,200	263,874,000	(98,501,200)	369,994,800	272,027,000	(97,967,800)
General Fund GTB	32,527,700	105,634,000	73,106,300	33,160,400	116,674,000	83,513,600
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Transportation	3,908,166	3,908,166	0	3,914,457	3,914,457	0
Bonus Payments	75,000	75,000	0	100,000	100,000	0
Total	416,069,816	390,674,916	(25,394,900)	425,013,257	410,559,057	(14,454,200)
Revenues						
School Equalization Account	391,637,000	394,553,000	2,916,000	400,698,000	404,864,000	4,166,000
Actions by Subcommittee						
Reach BASE (80%) in 3 yrs		515,000			1,792,000	
Weighted GTB for General Fund		(592,000)			(670,000)	
HS Stop/Loss @ 800 ANB		1,075,000			1,222,000	
ANB based on Enrollment		5,087,000			5,381,000	
Vote Below 80%		1,649,000			918,000	
Special Education Funding						
Weighted GTB for Retirement		(790,800)			(790,800)	
Revised Cost --Subcommittee Action		6,943,200			7,852,200	
Revenue Surplus (Shortfall)		(3,065,116)			(13,547,257)	

** Other decisions affecting cost include removing the limit on administrative costs and removing capital outlay and bus purchases from the general fund.*

April 6, 1993

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OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB SYSTEM ON RETIREMENT
SORT SEQUENCE: BY COUNTY & LEVEL
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

STNG97.WK1
06-Apr-93
07:45 AM

RESTATEMENT OF FY 93 RETIREMENT FUNDS

CURRENT GUARANTEE PERCENT (121%)

CO NUM	COUNTY	LEVEL	TOTAL ANB	FISCAL YR 93 MILLS LEVIED TO SUPPORT RETIREMENT	WEIGHTED GTB MILLS	FISCAL YEAR '93 TOTAL SUBSIDY	TOTAL WEIGHTED GTB SUBSIDY	CHANGE IN MILLS TO WTD GTB	CHANGE IN SUBSIDY TO WTD GTB
01	BEAVERHEAD	1	1276	17.94	17.44	$132,084	$139,769	-0.50	$7,686
01	BEAVERHEAD	2	495	10.68	10.39	$59,210	$64,110	-0.29	$4,900
02	BIG HORN	1	1655	2.48	2.42	$8,537	$10,177	-0.06	$1,639
02	BIG HORN	2	577	4.48	4.30	$0	$4,931	-0.18	$4,931
03	BLAINE	1	1078	7.01	6.61	$38,313	$43,775	-0.40	$5,462
03	BLAINE	2	443	6.15	5.03	$37,679	$53,432	-1.12	$15,752
04	BROADWATER	1	515	4.9	4.90	$0	$0	0.00	$0
04	BROADWATER	2	192	1.58	1.58	$0	$0	0.00	$0
05	CARBON	1	1110	17.06	15.17	$59,461	$90,329	-1.89	$30,868
05	CARBON	2	531	8.97	6.86	$60,300	$97,132	-2.11	$36,831
06	CARTER	1	154	12.72	12.72	$0	$0	0.00	$0
06	CARTER	2	50	6.78	6.78	$0	$0	0.00	$0
07	CASCADE	1	10154	20.75	22.38	$1,868,869	$1,719,797	1.63	($149,072)
07	CASCADE	2	3779	10.1	11.50	$819,846	$693,238	1.40	($126,609)
08	CHOTEAU	1	788	11.9	11.90	$0	$0	0.00	$0
08	CHOTEAU	2	357	7.41	7.41	$0	$0	0.00	$0
09	CUSTER	1	1491	19.82	19.42	$237,595	$243,392	-0.40	$5,796
09	CUSTER	2	627	7.66	8.25	$108,832	$100,446	0.59	($8,386)
10	DANIELS	1	318	0	0.00	$0	$0	0.00	$0
10	DANIELS	2	158	24.86	15.61	$15,908	$76,430	-9.25	$60,522
11	DAWSON	1	1314	19.85	19.48	$98,854	$105,748	-0.37	$6,894
11	DAWSON	2	563	8.24	8.18	$64,066	$65,172	-0.06	$1,106
12	DEER LODGE	1	1096	20.19	20.05	$220,397	$221,568	-0.14	$1,171
12	DEER LODGE	2	539	9.95	10.56	$158,264	$153,041	0.61	($5,222)
13	FALLON	1	519	20.99	20.99	$0	$0	0.00	$0
13	FALLON	2	206	16.13	13.52	$0	$25,564	-2.61	$25,564
14	FERGUS	1	1666	22.14	20.77	$161,926	$192,612	-1.37	$30,686
14	FERGUS	2	641	11.92	9.71	$86,646	$135,054	-2.21	$48,408
15	FLATHEAD	1	8662	19.42	19.24	$1,027,800	$1,046,551	-0.18	$18,751
15	FLATHEAD	2	3556	8.91	10.01	$528,172	$415,929	1.10	($112,242)
16	GALLATIN	1	5863	19.56	19.71	$518,355	$506,953	0.15	($11,402)
16	GALLATIN	2	2119	10.34	10.74	$182,733	$151,436	0.40	($31,297)
17	GARFIELD	1	228	13.97	13.37	$0	$2,911	-0.60	$2,911
17	GARFIELD	2	93	8.88	8.88	$0	$0	0.00	$0
18	GLACIER	1	2259	5.04	5.08	$104,518	$103,664	0.04	($853)
18	GLACIER	2	605	0	0.00	$0	$0	0.00	$0
19	GOLDEN VALLEY	1	104	9.89	9.89	$0	$0	0.00	$0
19	GOLDEN VALLEY	2	49	11.84	10.59	$0	$5,959	-1.25	$5,959
20	GRANITE	1	353	0	0.00	$0	$0	0.00	$0
20	GRANITE	2	174	0	0.00	$0	$0	0.00	$0
21	HILL	1	2603	17.27	17.20	$273,769	$275,911	-0.07	$2,142
21	HILL	2	987	10.93	10.35	$159,769	$177,164	-0.58	$17,395
22	JEFFERSON	1	1232	0	0.00	$0	$0	0.00	$0
22	JEFFERSON	2	410	0	0.00	$0	$0	0.00	$0
23	JUDITH BASIN	1	326	8.89	8.89	$0	$0	0.00	$0
23	JUDITH BASIN	2	137	13.65	11.18	$0	$21,419	-2.47	$21,419
24	LAKE	1	3078	20.9	20.59	$529,438	$538,510	-0.31	$9,073
24	LAKE	2	1232	12.26	11.87	$302,540	$314,659	-0.39	$12,120
25	LEWIS & CLARK	1	6734	21.14	22.22	$1,096,147	$1,022,007	1.08	($74,140)
25	LEWIS & CLARK	2	2505	11.02	12.63	$529,466	$423,421	1.61	($106,045)
26	LIBERTY	1	374	12.53	12.53	$0	$0	0.00	$0
26	LIBERTY	2	140	8.82	8.82	$0	$0	0.00	$0
27	LINCOLN	1	2647	7.2	7.13	$123,880	$126,005	-0.07	$2,126
27	LINCOLN	2	1116	8.89	9.10	$179,896	$173,532	0.21	($6,364)
28	MADISON	1	695	11.94	11.94	$0	$0	0.00	$0
28	MADISON	2	333	9.37	8.77	$0	$11,295	-0.60	$11,295
29	MCCONE	1	265	15.8	15.80	$0	$0	0.00	$0
29	MCCONE	2	138	10.51	10.51	$0	$0	0.00	$0
30	MEAGHER	1	200	7.31	7.31	$0	$0	0.00	$0
30	MEAGHER	2	103	10.56	10.56	$0	$0	0.00	$0
31	MINERAL	1	621	9.07	8.38	$15,771	$22,249	-0.69	$6,478
31	MINERAL	2	245	5.39	4.01	$9,997	$22,804	-1.38	$12,808
32	MISSOULA	1	9727	19.76	20.48	$1,080,195	$994,177	0.72	($86,018)
32	MISSOULA	2	3626	11.2	13.24	$528,758	$289,052	2.04	($239,706)
33	MUSSELSHELL	1	559	11.36	10.57	$36,069	$41,423	-0.79	$5,353
33	MUSSELSHELL	2	246	4.89	4.11	$22,002	$27,217	-0.78	$5,215
34	PARK	1	1528	19.8	19.10	$53,853	$71,161	-0.70	$17,308
34	PARK	2	630	11.63	11.00	$55,904	$70,904	-0.63	$14,999
35	PETROLEUM	1	70	0	0.00	$0	$0	0.00	$0
35	PETROLEUM	2	38	36.27	20.43	$0	$28,715	-15.84	$28,715
36	PHILLIPS	1	714	9.58	9.58	$0	$0	0.00	$0
36	PHILLIPS	2	347	6.81	6.80	$0	$178	-0.01	$178
37	PONDERA	1	1055	20.2	19.07	$77,146	$94,160	-1.13	$17,014
37	PONDERA	2	395	10.81	8.56	$33,605	$67,083	-2.25	$33,479
38	POWDER RIVER	1	253	8.83	8.83	$0	$0	0.00	$0
38	POWDER RIVER	2	133	8.9	8.10	$0	$5,119	-0.80	$5,119
39	POWELL	1	782	12.67	12.23	$11,493	$17,260	-0.44	$5,767
39	POWELL	2	298	2.23	2.21	$1,821	$2,062	-0.02	$241

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF SENATOR STANG
WEIGHTED GTB SYSTEM ON RETIREMENT
SORT SEQUENCE: BY COUNTY & LEVEL
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

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06-Apr-93
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RESTATEMENT OF FY 93 RETIREMENT FUNDS

CURRENT GUARANTEE PERCENT (121%)

CO NUM	COUNTY	LEV-EL	TOTAL ANB	FISCAL YR 93 MILLS LEVIED TO SUPPORT RETIREMENT	WEIGHTED GTB MILLS	FISCAL YEAR '93 TOTAL SUBSIDY	TOTAL WEIGHTED GTB SUBSIDY	CHANGE IN MILLS TO WTD GTB	CHANGE IN SUBSIDY TO WTD GTB
40	PRAIRIE	1	163	11.6	11.60	$0	$0	0.00	$0
40	PRAIRIE	2	90	8.82	6.77	$2,804	$10,384	-2.05	$7,780
41	RAVALLI	1	3582	8.54	8.30	$257,264	$265,366	-0.24	$8,101
41	RAVALLI	2	1507	11.04	10.71	$388,314	$399,357	-0.33	$11,043
42	RICHLAND	1	1601	12.6	12.12	$94,004	$104,146	-0.48	$10,141
42	RICHLAND	2	768	8.96	8.36	$111,201	$124,625	-0.60	$13,423
43	ROOSEVELT	1	1946	12.97	12.53	$119,383	$130,617	-0.44	$11,234
43	ROOSEVELT	2	698	10.61	8.80	$72,577	$117,554	-1.81	$44,978
44	ROSEBUD	1	1888	2.23	2.23	$0	$0	0.00	$0
44	ROSEBUD	2	711	1.07	1.07	$0	$0	0.00	$0
45	SANDERS	1	1203	13.86	13.86	$0	$0	0.00	$0
45	SANDERS	2	540	7.4	6.36	$2,997	$28,166	-1.04	$25,169
46	SHERIDAN	1	670	10.8	9.69	$0	$13,356	-1.11	$13,356
46	SHERIDAN	2	301	9.8	7.09	$11,475	$45,338	-2.71	$33,863
47	SILVER BOW	1	3858	25.38	26.77	$543,434	$477,270	1.39	($66,164)
47	SILVER BOW	2	1458	12.85	14.87	$264,355	$171,885	2.02	($92,470)
48	STILLWATER	1	1022	15.1	15.10	$0	$0	0.00	$0
48	STILLWATER	2	441	11.34	6.83	$0	$51,368	-2.51	$51,368
49	SWEET GRASS	1	365	14.74	14.74	$0	$0	0.00	$0
49	SWEET GRASS	2	199	12.52	11.65	$7,848	$15,146	-0.87	$7,298
50	TETON	1	897	19.23	17.45	$10,005	$37,598	-1.78	$27,593
50	TETON	2	391	12.77	10.06	$21,670	$65,164	-2.71	$43,494
51	TOOLE	1	770	3.64	3.64	$0	$0	0.00	$0
51	TOOLE	2	302	0.02	0.02	$0	$0	0.00	$0
52	TREASURE	1	130	10.97	10.97	$0	$0	0.00	$0
52	TREASURE	2	50	8.07	8.07	$0	$0	0.00	$0
53	VALLEY	1	1179	14.06	14.06	$0	$0	0.00	$0
53	VALLEY	2	465	11.35	10.43	$0	$22,929	-0.92	$22,929
54	WHEATLAND	1	313	11.89	11.89	$0	$0	0.00	$0
54	WHEATLAND	2	139	10.4	9.32	$0	$8,676	-1.08	$8,676
55	WIBAUX	1	161	3.9	3.90	$0	$0	0.00	$0
55	WIBAUX	2	77	1.95	1.77	$0	$777	-0.18	$777
56	YELLOWSTONE	1	14676	21.15	22.46	$1,596,547	$1,353,612	1.31	($244,734)
56	YELLOWSTONE	2	5662	9.11	10.74	$631,349	$316,015	1.63	($315,335)
TOTALS						$15,856,909	$15,066,157		($790,752)

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OFFICE OF THE LEGISLATIVE AUDITOR
COMPARISON OF COSTS (SAVINGS) IN PROJECTIONS
USING ANB VERSUS ENROLLMENT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

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	FISCAL YEAR 1993–94	FISCAL YEAR 1994–95
COSTS (SAVINGS) USING ANB	($15,278,455)	$4,462,491
COSTS (SAVINGS) USING ENROLLMENT	($5,928,963)	$11,280,510
ADDITIONAL STATE COST OF USING ENROLLMENT	$9,349,492	$6,818,019

DATE 4-6-93

SENATE COMMITTEE ON Sub Com of Select Com on Ed Bills

BILLS BEING HEARD TODAY: H B667

adjn 3PM

Name	Representing	Bill No.	Check One: Support	Check One: Oppose
Ken Halvorson	Opheim S.D	667		
Carol McElwain	Butte Dist #1	667		

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Chairman Mike Halligan, on April 7, 1993, at 6:30 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Chet Blaylock, Vice Chair (D)
Sen. John Brenden (R)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Dorothy Eck (D)
Sen. Harry Fritz (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)
Sen. Bill Wilson (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: None.
Executive Action: HB 667

EXECUTIVE ACTION ON HB 667

The Subcommittee of the Select Committee on School Finance has met several times and presented its recommendations on HB 667, which is attached to these minutes as Exhibit No. 1. The Committee members serving on that Subcommittee are:

Sen. Chet Blaylock, Chair
Sen. Bob Brown
Sen. John Hertel
Sen. Spook Stang
Sen. Daryl Toews
Sen. Fred Van Valkenburg
Sen. Mignon Waterman

Senator Blaylock said the Subcommittee decided to use HB 667 as the vehicle for the school finance issue, since that bill had already passed the House, and it appeared impossible to get SB 432 passed through the Senate and to the House for passage prior to the end of this legislative session. The Subcommittee has amended some of the provisions of SB 432 into HB 667.

Senator Blaylock reviewed the Subcommittee recommendations. He said that one of the first things the Subcommittee discussed was the total of 11 caps on HB 667.

The Subcommittee wanted to get the local limits below 80% into an area between 80% and 100% in order to comply with the Supreme Court ruling to equalize. Those districts below the 80% level will have a choice of three ways to go to reach the 80% level in three years: (a) 104% of the previous year's General Fund (GF) budget; or (b) 104% of the previous year's GF budget per student (Average Number Belonging [ANB]) times the current year's ANB; or (c) Choose to go up one-third each year over the next three years. If they go above any of these limits, they would have to vote the extra budget.

In the Districts with budgets of 80% to 100%, they could choose: (a) 104% of the previous year's GF budget; or (b) 104% of the previous year's GF budget per ANB times the current year's ANB; or (c) Go for a voted levy above 104%.

For areas above 100%, the Subcommittee froze the districts for one year at their present GF budget for the fiscal year beginning July 1, 1993. In the second year and beyond, a vote is required.

The Subcommittee removed the Wanzenreid Amendment, which would have limited administrative costs to 95% of a 2-year average, they removed capital outlay expenditures from the GF, and amended the Senate version of SB 32 into HB 667.

Regarding High School Stop-Loss (as there are more students, the figure is dropped by 50 cents per child), the Subcommittee changed the figure from 1,000 to 800.

The Subcommittee voted to use the Office of Public Instruction (OPI) option #2 to revise the current Guaranteed Tax Base (GTB) value to extend the permissive range for Special Education (SPED) purposes based on 10%, 25% and 65% ratios to incorporate the current concept but redistribute the dollars in

the permissive levy GTB support. There was $5 million remaining in the GTB fund, and this option had to be included in order for the full amount to be available.

The Subcommittee voted that Public Law 81-874 Funds be transferred from the impact aid fund to GF to off-set the levy below 80%, with the state paying the GTB. This means the schools below the 80% level can use their impact money from the Federal government, and then state aid is available. The Districts using 874 funds to help support local levies must levy the prior year's average permissive levy. The Subcommittee discussed the District where there is very few taxpayers, or only one taxpayer, and if taxes should be levied. They determined that they should be levied, with the taxpayer(s) paying the average of the state-wide permissive levy.

Senator Blaylock said the weighted GTB had been considered for the General Fund, the Retirement Fund, and Capital Outlay. After further discussions, it was decided that this would be very adverse to some school districts. Those Districts who are levying high millages for retirement now would be hurt by this, and those levying low millages for retirement now would be helped. Senator Blaylock said this Committee may want to put the weighted GTB into the General Fund.

The Subcommittee recommends that the Select Committee choose how to handle the $30 million budget cut by HB 667. Other actions considered by the Subcommittee, but with no firm recommendations, for the Committee to consider are Non-levy revenue, Weighted GTB, COLA, Transportation and Retirement, and Per-ANB reduction factors. The Subcommittee had considered taking all the non-levy revenue received, mainly from coal, oil and gas, and motor vehicle licenses, and redistribute it. There would be no more money received, it would just be equalized through the effect of redistribution.

QUESTIONS BY COMMITTEE MEMBERS:

(1) Caps:

Senator Gage asked if a District is above 100%, if their voted levies are moot under HB 667, which would freeze their budget at its present level. Senator Blaylock said their levy would be frozen only the first year, which would be at the level approved in the latest election. Senator Waterman said that following the first year, the District would have to vote anything above 100% in the level at which they are frozen.

Senator Towe asked for further explanation of the 33 1/3% growth limits below 80%. Senator Blaylock and Senator Van Valkenburg explained that by taking 1/3 the first year, then half of what remains the second year, and all of what remains in the third year, would be taking 1/3 in each of the three years.

Senator Eck asked if there is any allowance for ANB growth in the Districts who are above 100% who are experiencing growth. Senator Waterman said there is none, but they would soon end up below the 100% if they had rapid growth. Once they reach the 100% expenditure level, the other rules would apply.

(2) Administrative Costs:

No questions from Committee members.

(3) Capital Outlay:

Senator Towe asked if the language to remove capital outlay expenditures from GF means there will be a separate accounts set up. Eddye McClure, Legislative Council Staff, responded that there are only certain costs that can be spent from the General Fund. OPI indicated they are going to use their building reserve, but there are going to be costs that may not be budgeted. Bond and interest payments, the purchase and replacement of buses, new construction, building additions, land acquisition, infra-structure, and major building renovations, would all be put into reserves.

(4) HS Stop/Loss:

Senator Van Valkenburg said the Subcommittee used the mathematical formula developed by the Auditor's office as the principle means of distributing state funding for kindergarten through grade 12 (K-12) education. Senator Van Valkenburg believes the existing schedules should be utilized, and incorporate the caps and other changes in school equalization into those schedules, because the math formula developed by the Auditor's office was still in an experimental stage. Senator Van Valkenburg had asked the Subcommittee to at least look at following the recommendation of the Superintendent of Public Instruction to stick with the existing schedules until the consequences of using the Auditor's new math formula are more clear. The HS Stop/Loss section is part of the mathematical formula. Senator Van Valkenburg has asked OPI to give this Committee some comparisons between using the Auditor's mathematical formula and using the existing schedules.

Greg Groepper, OPI, presented Exhibit No. 2 to these minutes, and explained the schedules included. Mr. Groepper said the comparisons shown are the budget changes per school district, with the mill levy changes. He pointed out some differences, that the far right-hand column has approximately 3900 more students than the inner right-hand column. OPI used FY94 enrollment numbers; the Auditor's spread sheets used FY93 ANB. OPI left the non-levy revenue recapture in the figures to get the impact. The inner right-hand column has the weighted guaranteed tax base as the Subcommittee is recommending, and OPI used current law for guaranteed tax base, and they allowed for Special Education (SPED) in their figures. Mr. Groepper said schools

will generally have more budget authority using the existing schedules rather than the models presented in the HB 667 hearing. (Please refer to Minutes of March 31, 1993, Exhibit No. 4.)

Mr. Groepper explained the schedules using Billings Elementary and High School figures to answer questions by Committee members.

Mr. Groepper will make new schedules available for the Committee to review, using the Auditor's office figures, HB 667 guidelines, and taking out the non-levied revenue, so a better comparison can be made.

Senator Gage questioned the difference in expenditures by dropping the Stop/Loss from 1,000 to 800. Curt Hahn, OPI, presented Exhibit No. 3, and Ms. McClure presented Exhibit No. 4 to these Minutes.

Senator Towe questioned how the Stop/Loss system works. Senator Stang explained by using the example of 4,000 students in a high school program. The way HB 667 was originally written, you would reduce that by 50 cents until you reach 3,000. If you put in an 800 stop/loss, you reduce it by 50 cents until you reach 3,200. The cost of doing that is approximately $1 million per year.

(5) Special Education:

In response to questions by Senator Harp, Senator Blaylock said the portion of the special education (SPED) not considered by the House was added in to the Subcommittee recommendations.

Senator Towe asked for an explanation of the 10%, 25%, and 65% ratios in the recommendations by the Subcommittee. Dori Nielson, OPI, explained that school districts currently receive about $13.8 million, which is the appropriation for allotted costs for special education from the Legislature that has remained constant for several years. Additionally, local school districts contribute over $11 million. That can be levied permissively in the 35% range under the current system and was missing in HB 667. In order for the districts to provide local funding for SPED, since the state allowable cost appropriation does not cover the entire costs, districts need to access money for SPED. Under HB 667, without the addition, the districts had to access it to regular education dollars in the 80%/100% portion of the budget. The Subcommittee put back in the opportunity for school districts to access more than the $11 million through a permissive levy guaranteed tax base (GTB) support, which they currently have. The Subcommittee did not add more money to the bill; they re-distributed money that was already there. The $11 million represents the 25%. The 65% is the base amount that they already have. The 10% is the margin that will go into the 80% to 100% range that now is accessible. In the regular education program, if these ratios were placed side by side, the base

amount coming directly from the state is 65%; the permissive portion is 25%; and the 10% is the portion over the permissive.

(6) Enrollment:

In response to questions by Senator Harp, Senator Blaylock said the $40 million cut by the House is taken up by not paying the schools for the additional 7,100 students enrolling in Montana schools next year.

Senator Gage asked about the current enrollment ANB count. Mr. Groepper explained that under current law, OPI looks at the fall semester coming up, starting July 1, and the spring semester of a year ago.

(7) Public Law 81-874 Funds:

Senator Towe asked for explanations on the Subcommittee recommendations. Linda Brandt, Indian Impact Schools, said this is referring to state-wide average funds. Senator Towe asked how this pertains to a district which might be below the 80%. Ms. Brandt said if a district is below the 80%, they still have to calculate out their state subsidy just as every other district does. After that calculation is done and a district calculates how many mills it will have to levy, then the 874 is applied to reduce that levy, but only down to the state average.

(8) House Cuts:

Senator Harp asked where the money to increase the spending by $15 million is to come from. Senator Blaylock said it was to come from the Realty Transfer Tax.

Senator Eck said she would like the Committee to discuss the $30 million that is built into this plan, and its source. Senator Waterman commented she thinks the Committee's choices will narrow down to three options: (1) Reduce the District budgets; (2) Offset reliance on local levies, or (3) Increase State support.

Actions considered but not taken by Subcommittee:

(1) Non-levy Revenue:

Senator Eck suggested an option the Committee might consideration would be some equalization of non-levy revenue. Senator Blaylock responded that in order to do what had been discussed in previous meetings, it would be about $20 million per year. That would not be adding in new money; it is only a re-distribution.

Senator Toews said when non-levied revenue is moved, a lot of schools will fall back onto a guaranteed tax base.

Senator Towe asked what the Subcommittee discussed on non-levied revenue. The automobile registration fees are fairly uniform throughout the state, but the oil and gas money, and the coal money, is different by districts. Senator Blaylock said the Subcommittee did not specifically discuss splitting those resources. They did think about using non-levy revenue. The Colstrip School Superintendent said his District was willing to ride with the freeze, and that would probably make them reduce their programs. Senator Blaylock said the other side of the argument is that a lot of those districts will take a hit, but they haven't been levying much on themselves, if anything, and, therefore, it would be fair to bring the funds to Helena to be distributed.

Senator Towe said the Districts who do not levy very much revenue, because they have an enormous taxable valuation, will have to spend more money and will have to levy more revenue. That will help equalize the districts across the state.

(4) Transportation and Retirement:

Senator Towe asked why transportation was not included in the Subcommittee's recommendations. Senator Blaylock said the feeling of the Subcommittee is that transportation is not as serious a problem across the state as the other issues are, and there is no great pressure from the school districts asking for equalization of transportation.

Senator Towe asked if transportation costs are just absorbed in the general budget, and what would be the impact if the Committee did not adopt anything regarding transportation. Greg Groepper said that transportation is paid for half by the state and half by a county-wide levy. Anything districts need above that amount, they have to levy on district taxpayers in a permissive mill. The portion of transportation that OPI does not equalize is whatever the district has to assess on their own taxpayers. Mr. Groepper said transportation is one of the issues that has been raised in the lawsuit, but as he understands it, there was more concern over straightening out the general fund, then coming back another session and working on the transportation and retirement. Mr. Groepper said he understands the transportation budget would stay the same and if the district needs money above what they get through the per-mile basis, they will have to levy that on their taxpayer. By not including transportation and retirement in the equalization plan now, they won't be as far along as they would be if the Committee addresses it now, but his understanding is that HB 667 is all that can possibly be accomplished in these first two years.

Discussion was ended at this time. Chairman Halligan said this Committee will meet again after the OPI has provided new spread sheets on information requested by Committee members.

Exhibit No. 5 to these minutes is a letter from K. W. Maki, Corvallis School District #1.

ADJOURNMENT

Adjournment: The meeting adjourned at 8:00 a.m.

MIKE HALLIGAN, Chair

BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE DATE 4-7-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		
Sen. Blaylock, Vice Chair	✓		
Sen. Fritz	✓		
Sen. Hertel	✓		
Sen. Brenden	✓		
Sen. Toews	✓		
Sen. Waterman	✓		
Sen. Wilson	✓		

FC8

Attach to each day's minutes

HB 667 SUBCOMMITTEE RECOMMENDATIONS

SENATE ~~TAXATION~~ Select Comm on School Finance
EXHIBIT NO. 1
DATE 4-7-93
BILL NO. HB667

(1) Caps:

Growth Limits Below 80%:

Greater of:
(a) 104% of previous year GF budget;
(b) 104% of previous year GF budget per-ANB x current year's ANB; or
(c) (i) 33 1/3% of range between GF ending June 30, 1993 and BASE July 1, 1993;
(ii) 50% of range between GF ending June 30, 1994 and BASE beginning July 1, 1994; or
(iii) remainder of range between GF ending June 30, 1995 and BASE beginning July 1, 1995

(d) Voted required to exceed above budgets

80 to 100%:

Greater of:
(a) 104% of previous year GF budget; or
(b) 104% of previous year GF budget per ANB x current year's ANB

(c) Voted levy above 104%

(d) Removed Kadas Amendment on vote above 90% and optional vote provision.

Above 100%:

Districts "frozen" at:
(a) district's GF budget for current school fiscal year; or
(b) the maximum GF budget for district in current school fiscal year.

(c) Except for fiscal year July 1, 1993, HB 667 still requires voted levy in second year.

(2) **Administrative costs:** Removed the Wanzenreid amendment to limit administrative costs to 95% of 2-year average.

(3) **Capital outlay:** Removed capital outlay expenditures from GF Amended Senate version of SB 32 into HB 667

(4) HS Stop/Loss: Changed High school stop/loss from 1,000 to 800

(5) Special Education: Voted to use OPI option #2 to revise the current GTB HB667 value to extend the permissive range for special education purposes based on 10%, 25% and 65% ratios to incorporate the current concept but redistribute the dollars in the permissive levy GTB support. (Means $5 million in GTB.

(6) Enrollment: voted to base the district ANB count on the enrollment count from October 1 and February 1 of the previous year

(7) Public Law 81-874 Funds: (a) voted to allow district receiving 874 funds to transfer from impact aid fund to general fund to offset levy below 80% with state paying GTB (comply with federal law);
(b) District using 874 funds to support local levies must levy prior year average permissive levy (requiring minimum local effort)

(8) House cuts: voted to put approx. $30 million in HB 667
* **approx. $15 million for state support (see OPI chart)**
* **approx. $15 to fund deficit in SEA**

Actions considered but not taken by Subcommittee:

(1) Non-levy revenue: voted not to include non-levy revenue in HB 667

(2) Weighted GTB: voted not to use weighted GTB formula in capital outlay and retirement.

(3) COLA: voted not to include an inflation factor in HB 667

(4) Transportation and retirement: voted not to include in HB 667.

(5) Per-ANB reduction factors: voted not to change per-ANB reduction factors from .50 and .20

SENATE TAXATION Select Committee
EXHIBIT NO. 2
DATE 4-7-93
BILL NO. HB 667

DATE: 04/06/93
TIME: 22:29:45

IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

	ACTUAL 93 BUDGET	HB 667 RESTATED 93 GF BUDGET (-874,SPED)	HB 667 RESTATED 93 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 93 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY93 BUDGET CHANGE	HB 667-FY93 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 MILL CHANGE
Beaverhead											
Beaverhead County H S	1,853,089	1,812,844	1,886,637	1,927,212	26.58	22.48	34.69	33,548	-4.10	74,123	8.11
Dillon Elem	3,170,993	3,029,658	3,222,676	3,297,832	32.97	41.44	70.58	51,683	8.47	126,839	37.61
Grant Elem	77,670	77,670	80,829	80,792	14.39	26.85	46.72	3,159	12.46	3,122	32.33
Jackson Elem	76,774	76,774	79,299	76,773	19.24	38.46	86.49	2,525	19.22	-1	67.25
Lima Elem	299,565	291,106	299,565	317,905	0.00	37.05	75.41	0	37.05	18,340	75.41
Lima H S	284,223	281,167	292,091	295,591	18.76	39.06	60.78	7,868	20.30	11,368	42.02
Polaris Elem	36,557	36,557	40,368	38,624	23.94	34.31	55.41	3,811	10.37	2,067	31.47
Reichle Elem	71,667	71,667	71,667	71,667	12.15	31.65	103.89	0	19.50	0	91.74
Wisdom Elem	140,000	140,000	140,081	147,048	0.00	24.77	59.25	81	24.77	7,048	59.25
Wise River Elem	77,796	77,796	80,913	80,907	12.71	34.00	63.46	3,117	21.29	3,111	50.75
Big Horn											
Community Elem	87,716	87,716	91,254	91,224	5.59	15.62	33.90	3,538	10.03	3,508	28.31
Hardin Elem	4,793,690	3,322,875	4,821,003	4,985,437	36.48	49.94	68.00	27,313	13.46	191,747	31.52
Hardin H S	2,719,397	2,141,945	2,719,397	2,719,397	0.00	9.36	60.78	0	9.36	0	60.78
Lodge Grass Elem	2,751,602	1,777,977	2,751,602	2,751,602	0.00	0.00	417.30	0	0.00	0	417.30
Lodge Grass H S	1,919,482	1,392,922	1,919,482	1,919,482	0.00	0.00	159.81	0	0.00	0	159.81
Plenty Coups H S	616,704	315,433	619,658	616,703	42.51	52.34	61.82	2,954	9.83	-1	19.31
Pryor Elem	300,865	185,799	300,865	300,865	57.35	81.40	102.72	0	24.05	0	45.37
Squirrel Creek Elem	70,006	70,006	70,006	70,005	0.75	1.98	5.64	0	1.23	-1	4.89
Wyola Elem	483,491	229,057	483,491	483,491	52.74	75.65	212.61	0	22.91	0	159.87
Blaine											
Bear Paw Elem	70,888	70,888	70,888	70,887	0.00	19.90	50.79	0	19.90	-1	50.79
Chinook Elem	1,220,000	1,196,218	1,220,000	1,268,800	20.04	38.20	117.74	0	18.16	48,800	97.70
Chinook H S	1,090,000	1,066,206	1,090,000	1,133,600	8.50	15.06	58.51	0	6.56	43,600	50.01
Cleveland Elem	52,749	52,749	52,749	52,749	0.00	14.24	34.58	0	14.24	0	34.58
Harlem Elem	2,000,000	1,159,828	2,034,983	2,000,000	35.56	45.80	65.80	34,983	10.24	0	30.24
Harlem H S	1,085,320	633,340	1,110,461	1,085,320	5.97	18.17	39.34	25,141	12.20	0	33.37
Hays-Lodge Pole Elem	1,054,223	688,289	1,054,223	1,054,222	58.77	52.79	2277.52	0	-5.98	-1	2218.75
Hays-Lodge Pole Schools	755,346	386,798	773,484	755,346	35.79	34.79	45.47	18,138	-1.00	0	9.68
Lloyd Elem	34,527	34,527	34,527	35,908	0.00	9.72	14.53	0	9.72	1,381	14.53
North Harlem Colony Elem	37,024	35,233	39,410	38,504	50.77	54.63	90.22	2,386	3.86	1,480	39.45
Turner Elem	340,216	337,530	340,216	353,824	73.38	107.12	108.90	0	33.74	13,608	35.52
Turner H S	304,451	304,451	304,451	316,629	40.29	57.24	72.77	0	16.95	12,178	32.48
Zurich Elem	207,188	205,462	207,188	215,475	0.00	16.39	59.14	0	16.39	8,287	59.14
Broadwater											
Broadwater H S	804,056	788,535	842,976	863,453	11.05	19.47	25.52	38,920	8.42	59,397	14.47
Townsend Elem	1,375,000	1,338,020	1,468,761	1,471,945	13.80	35.48	46.15	93,761	21.68	96,945	32.35
Carbon											
Belfry Elem	650,000	639,676	650,000	650,000	1.81	44.91	288.40	0	43.10	0	286.59
Belfry H S	655,200	655,200	655,200	655,200	0.00	21.37	286.03	0	21.37	0	286.03
Boyd Elem	36,732	34,890	40,166	38,201	8.60	27.60	56.49	3,434	19.00	1,469	47.89

DATE: 04/06/93
TIME: 22:29:53

IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

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Geraldine Elem	588,483	576,974	588,483	588,483	13.60	25.36	100.76	0	11.76	0	87.16
Geraldine H S	502,850	502,850	502,850	502,850	18.88	28.54	71.65	0	9.66	0	52.77
Highwood Elem	580,309	565,458	580,309	580,309	75.57	109.44	164.61	0	33.87	0	89.04
Highwood H S	410,130	405,264	410,130	426,535	21.80	21.08	72.71	0	-0.72	16,405	50.91
Knees Elem	54,080	50,296	54,080	54,080	10.43	17.09	22.76	0	6.66	0	12.33
Loma Elem	51,886	51,886	51,886	51,886	10.60	7.41	24.50	0	-3.19	0	13.90
Warrick Elem	39,335	39,335	39,335	40,908	1.66	12.44	39.72	0	10.78	1,573	38.06
Custer											
Cottonwood Elem	88,420	88,420	88,420	88,420	30.09	107.04	175.38	0	76.95	0	145.29
Custer County H S	2,778,753	2,643,062	2,778,753	2,889,903	41.58	27.19	41.53	0	-14.39	111,150	-0.05
Hockett-Basin Spr Crk El	32,189	32,189	34,657	33,476	7.46	19.20	36.14	2,468	11.74	1,287	28.68
Kinsey Elem	140,638	137,256	140,638	147,328	20.93	44.50	60.10	0	23.57	6,690	39.17
Kircher Elem	153,922	149,629	153,922	160,936	0.00	20.29	42.71	0	20.29	7,014	42.71
Miles City Elem	4,297,114	3,993,041	4,299,424	4,468,998	56.59	43.30	61.36	2,310	-13.29	171,884	4.77
Moon Creek Elem	32,000	32,000	38,262	33,280	0.00	8.71	24.22	6,262	8.71	1,280	24.22
S H-Foster Creek Elem	32,847	32,847	34,163	34,537	0.00	18.54	48.42	1,316	18.54	1,690	48.42
S Y Elem	26,500	26,500	31,797	29,331	0.00	20.75	35.73	5,297	20.75	2,831	35.73
Trail Creek Elem	32,144	32,144	36,493	33,429	16.61	25.89	46.21	4,349	9.28	1,285	29.60
Twin Buttes Elem	32,022	32,022	32,022	33,302	0.00	32.33	55.05	0	32.33	1,280	55.05
Whitney Creek Elem	30,000	30,000	30,399	31,665	0.00	37.98	73.21	399	37.98	1,665	73.21
Daniels											
Flaxville Elem	282,836	277,350	282,836	282,836	45.22	70.81	127.84	0	25.59	0	82.62
Flaxville Schools	294,925	293,573	294,925	299,048	6.92	11.71	97.55	0	4.79	4,123	90.63
Peerless Elem	367,887	357,022	367,887	367,887	40.66	78.33	214.77	0	37.67	0	174.11
Peerless Schools	364,495	359,839	364,495	364,495	36.13	42.55	143.06	0	6.42	0	106.93
Scobey Elem	978,317	951,117	978,317	1,017,449	61.44	73.20	124.46	0	11.76	39,132	63.02
Scobey Schools	787,365	773,932	787,365	787,365	60.00	75.45	101.67	0	15.45	0	41.67
Dawson											
Bloomfield Elem	81,120	81,120	82,197	84,364	1.22	12.92	43.69	1,077	11.70	3,244	42.47
Dawson County H S	2,619,850	2,397,688	2,619,850	2,687,163	35.65	19.03	64.35	0	-16.62	67,313	28.70
Deer Creek Elem	88,868	83,277	88,868	92,422	1.67	5.57	27.11	0	3.90	3,554	25.44
Glendive Elem	3,838,614	3,495,278	3,862,500	3,992,158	37.22	37.11	77.02	23,886	-0.11	153,544	39.80
Lindsay Elem	75,712	75,712	75,712	75,712	0.00	8.62	42.11	0	8.62	0	42.11
Richey Elem	444,454	437,716	444,454	444,454	63.47	102.63	155.36	0	39.16	0	91.89
Richey H S	410,155	410,155	410,155	426,561	24.90	45.09	73.42	0	20.19	16,406	48.52
Deer Lodge											
Anaconda Elem	3,910,175	3,567,928	3,910,175	4,066,582	34.68	42.55	84.59	0	7.87	156,407	49.91
Anaconda H S	2,618,508	2,408,394	2,618,508	2,723,248	25.46	27.71	75.11	0	2.25	104,740	49.65
Fallon											
Baker Elem	1,815,031	1,760,944	1,815,031	1,815,030	36.05	54.47	142.64	0	18.42	-1	106.59
Baker H S	1,492,474	1,471,612	1,492,474	1,492,473	10.63	8.19	126.97	0	-2.44	-1	116.34
Fertile Prairie Elem	40,926	40,926	41,415	42,563	0.00	0.00	4.93	489	0.00	1,637	4.93

EX # 2
4-7-93

HB-667

DATE: 04/06/93
TIME: 22:30:00

IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

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West Valley Elem	796,511	767,426	816,702	846,747	44.36	52.33	55.48	20,191	7.97	50,236	11.12
Whitefish Elem	3,596,742	3,376,904	3,681,448	3,790,449	20.01	35.27	53.09	84,706	15.26	193,707	33.08
Whitefish H S	2,136,036	2,055,594	2,176,773	2,221,477	21.28	19.34	27.26	40,737	-1.94	85,441	5.98
Gallatin											
Amsterdam Elem	176,311	176,311	176,311	183,363	19.38	38.22	49.44	0	18.84	7,052	30.06
Anderson Elem	509,125	489,948	509,505	544,170	48.91	57.16	58.37	380	8.25	35,045	9.46
Belgrade Elem	3,730,655	3,474,842	3,805,926	3,896,387	40.84	49.56	55.41	75,271	8.72	165,732	14.57
Belgrade H S	1,616,186	1,522,884	1,706,452	1,732,697	19.00	22.77	25.43	90,266	3.77	116,511	6.43
Bozeman Elem	9,800,463	9,230,640	9,800,463	10,192,481	34.50	44.88	55.62	0	10.38	392,018	21.12
Bozeman H S	5,793,711	5,622,775	5,793,711	6,025,459	33.84	34.28	40.85	0	0.44	231,748	7.01
Cottonwood Elem	34,820	34,820	38,277	36,212	36.47	49.30	77.21	3,457	12.83	1,392	40.74
Gallatin Gateway Elem	425,136	414,102	425,136	468,924	39.93	51.48	55.24	0	11.55	43,788	15.31
La Motte Elem	151,696	151,696	151,696	162,169	17.38	35.21	55.93	0	17.83	10,473	38.55
Malmborg Elem	32,482	32,482	33,920	33,781	10.79	25.42	31.61	1,438	14.63	1,299	20.82
Manhattan Elem	1,116,178	1,063,075	1,158,426	1,160,825	41.65	49.96	58.58	42,248	8.31	44,647	16.93
Manhattan H S	773,283	747,814	806,545	815,472	24.12	27.80	30.19	33,262	3.68	42,189	6.07
Monforton Elem	710,535	682,495	713,911	738,956	44.39	56.09	71.80	3,376	11.70	28,421	27.41
Ophir Elem	185,808	185,808	185,808	194,623	9.42	17.23	20.78	0	7.81	8,815	11.36
Pass Creek Elem	44,084	44,084	50,048	44,083	0.00	30.29	49.38	5,964	30.29	-1	49.38
Springhill Elem	52,995	52,995	53,192	54,484	51.07	68.56	111.32	197	17.49	1,489	60.25
Three Forks Elem	831,534	796,960	849,169	864,795	22.27	43.49	59.06	17,635	21.22	33,261	36.79
Three Forks H S	595,473	593,019	606,980	619,291	22.17	26.37	47.20	11,507	4.20	23,818	25.03
West Yellowstone Elem	634,843	601,892	634,843	660,236	51.76	68.46	94.24	0	16.70	25,393	42.48
West Yellowstone Schools	595,572	582,737	595,572	619,394	48.00	59.32	86.15	0	11.32	23,822	38.15
Willow Creek Elem	156,924	150,467	161,288	170,501	20.51	37.34	55.70	4,364	16.83	13,577	35.19
Willow Creek H S	207,180	203,810	213,467	215,467	32.94	49.67	91.00	6,287	16.73	8,287	58.06
Garfield											
Benzien Elem	28,646	28,646	31,362	30,762	0.00	37.66	76.17	2,716	37.66	2,116	76.17
Big Dry Creek Elem	32,501	32,501	32,501	33,801	0.00	18.12	45.38	0	18.12	1,300	45.38
Blackfoot Elem	26,780	26,780	29,185	29,518	0.00	19.46	42.78	2,405	19.46	2,738	42.78
Cohagen Elem	78,959	78,959	80,757	82,117	0.00	21.49	56.58	1,798	21.49	3,158	56.58
Garfield County H S	534,793	527,236	534,793	556,185	20.57	30.07	42.77	0	9.50	21,392	22.20
Jordan Elem	492,433	480,463	493,072	533,856	27.25	45.73	62.38	639	18.48	41,423	35.13
Kester Elem	39,418	39,418	39,418	40,994	0.00	43.95	134.85	0	43.95	1,576	134.85
Pine Grove Elem	27,089	27,089	32,190	29,724	9.95	34.08	63.68	5,101	24.13	2,635	53.73
Ross Elem	27,750	27,750	27,750	30,165	0.00	106.55	163.42	0	106.55	2,415	163.42
Sand Springs Elem	28,646	28,646	29,496	30,762	0.00	11.77	37.34	850	11.77	2,116	37.34
Van Norman Elem	55,953	55,953	58,894	63,237	5.87	33.28	56.81	2,941	27.41	7,284	50.94
Glacier											
Browning Elem	10,000,000	4,131,521	10,053,164	10,000,000	22.05	31.72	417.05	53,164	9.67	0	395.00
Browning H S	4,000,000	1,231,785	4,079,313	4,000,000	12.92	14.80	227.58	79,313	1.88	0	214.66
Cut Bank Elem	2,764,443	2,220,174	2,777,240	2,875,021	22.91	23.05	78.23	12,797	0.14	110,578	55.32

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IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

	ACTUAL 93 BUDGET	HB 667 RESTATED 93 GF BUDGET (-874,SPED)	HB 667 RESTATED 93 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 93 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY93 BUDGET CHANGE	HB 667-FY93 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 MILL CHANGE
Raynesford Elem	83,385	82,371	83,385	83,385	18.41	40.78	109.42	0	22.37	0	91.01
Stanford Elem	463,376	459,186	469,889	481,911	14.56	39.81	76.24	6,513	25.25	18,535	61.68
Stanford H S	412,410	412,410	412,410	428,906	18.77	40.31	55.69	0	21.54	16,496	36.92
Lake											
Arlee Elem	1,142,702	823,396	1,162,460	1,188,410	40.90	42.70	119.62	19,758	1.80	45,708	78.72
Arlee H S	833,728	496,198	909,729	867,077	19.61	14.73	71.84	76,001	-4.88	33,349	52.23
Charlo Elem	712,401	679,472	712,401	740,897	26.51	63.11	90.76	0	36.60	28,496	64.25
Charlo H S	491,401	445,073	492,710	511,057	32.08	40.54	41.22	1,309	8.46	19,656	9.14
Polson Elem	3,137,865	2,959,889	3,214,543	3,285,955	29.05	41.22	54.45	76,678	12.17	148,090	25.40
Polson H S	1,688,161	1,627,998	1,789,545	1,755,687	15.52	19.92	27.81	101,384	4.40	67,526	12.29
Ronan Elem	3,978,816	2,408,748	4,258,617	4,137,968	19.62	15.76	58.67	279,801	-3.86	159,152	39.05
Ronan H S	1,888,203	892,689	2,133,393	1,963,731	12.36	5.19	29.57	245,190	-7.17	75,528	17.21
St Ignatius Elem	1,590,357	1,401,508	1,590,357	1,653,971	11.83	39.12	109.31	0	27.29	63,614	97.48
St Ignatius Schools	1,187,748	524,136	1,284,009	1,187,747	21.12	3.28	102.58	96,261	-17.84	-1	81.46
Swan Lake-Salmon Elem	65,294	65,294	65,294	70,248	21.64	27.65	45.51	0	6.01	4,954	23.87
Upper West Shore Elem	62,000	62,000	68,518	69,100	0.00	9.26	12.44	6,518	9.26	7,100	12.44
Valley View Elem	55,264	55,264	60,298	63,082	0.00	42.27	49.75	5,034	42.27	7,818	49.75
Lewis & Clark											
Auchard Creek Elem	48,228	48,228	56,540	58,915	0.00	12.72	38.45	8,312	12.72	10,687	38.45
Augusta Elem	421,448	421,448	421,448	438,305	53.61	72.28	101.97	0	18.67	16,857	48.36
Augusta H S	351,492	333,949	351,492	365,551	23.44	37.22	74.93	0	13.78	14,059	51.49
Craig Elem	39,707	39,707	39,707	41,295	11.89	11.68	16.56	0	-0.21	1,588	4.67
East Helena Elem	2,935,797	2,865,066	3,015,168	3,053,228	40.38	48.95	55.54	79,371	8.57	117,431	15.16
Helena Elem	17,133,670	16,144,114	17,133,670	17,819,016	75.72	83.30	69.34	0	7.58	685,346	-6.38
Helena H S	11,354,905	10,729,262	11,354,905	11,809,101	53.98	51.80	48.87	0	-2.18	454,196	-5.11
Kessler Elem	791,164	768,990	807,146	824,030	30.05	39.19	51.37	15,982	9.14	32,866	21.32
Lincoln Elem	506,251	479,799	508,618	539,155	39.10	48.99	60.26	2,367	9.89	32,904	21.16
Lincoln H S	330,945	330,945	333,932	350,616	32.56	45.82	51.80	2,987	13.26	19,671	19.24
Trinity Elem	50,686	50,686	51,652	50,686	0.00	0.11	17.80	966	0.11	0	17.80
Wolf Creek Elem	49,315	49,315	49,806	51,287	8.64	2.79	10.78	491	-5.85	1,972	2.14
Liberty											
Chester Elem	809,318	772,388	812,938	841,690	4.74	20.07	69.16	3,620	15.33	32,372	64.42
Chester H S	697,978	697,978	697,978	697,977	14.35	17.70	61.97	0	3.35	-1	47.62
J-I Elem	686,197	674,998	686,197	686,197	31.13	71.85	120.91	0	40.72	0	89.78
J-I H S	523,848	519,188	523,848	523,848	43.33	57.42	87.67	0	14.09	0	44.34
Liberty Elem	35,924	35,924	39,945	89,750	36.23	44.76	3.04	4,021	8.53	53,826	-33.19
Whitlash Elem	36,915	34,309	38,677	38,391	0.00	0.00	47.31	1,762	0.00	1,476	47.31
Lincoln											
Eureka Elem	1,724,305	1,491,209	1,769,047	1,793,277	29.87	40.96	64.33	44,742	11.09	68,972	34.46
Fortine Elem	234,804	229,439	234,804	248,700	8.80	32.59	54.96	0	23.79	13,896	46.16
Libby Elem	4,977,162	4,472,509	4,977,162	5,176,248	57.71	43.10	70.65	0	-14.61	199,086	12.94
Libby Schools	2,822,838	2,450,379	2,823,098	2,935,751	39.59	21.88	66.06	260	-17.71	112,913	26.47

Finance
EX #2
4-7-93

HB-667

DATE: 04/06/93
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IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

	ACTUAL 93 BUDGET	HB 667 RESTATED 93 GF BUDGET (-874,SPED)	HB 667 RESTATED 93 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 93 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY93 BUDGET CHANGE	HB 667-FY93 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 MILL CHANGE
Lolo Elem	2,003,765	1,940,229	2,003,765	2,083,915	61.61	62.34	89.75	0	0.73	80,150	28.14
Missoula Elem	19,595,900	18,299,085	19,595,900	20,379,736	65.78	79.71	69.34	0	13.93	783,836	3.56
Missoula H S	15,368,799	14,417,416	15,368,799	15,983,550	42.81	44.08	43.19	0	1.27	614,751	0.38
Potomac Elem	421,910	421,910	421,910	438,786	38.33	95.33	102.98	0	57.00	16,876	64.65
Seeley Lake Elem	666,897	666,897	677,658	696,694	39.62	47.67	58.43	10,761	8.05	29,797	18.81
Sunset Elem	44,882	39,999	46,613	46,677	32.52	35.07	53.61	1,731	2.55	1,795	21.09
Swan Valley Elem	325,923	325,923	325,923	338,959	0.00	88.60	114.45	0	88.60	13,036	114.45
Target Range Elem	1,540,853	1,451,119	1,590,749	1,602,486	39.84	48.37	56.30	49,896	8.53	61,633	16.46
Woodman Elem	320,795	320,795	320,795	333,626	0.00	91.15	129.06	0	91.15	12,831	129.06
Musselshell											
Melstone Elem	322,590	310,655	322,590	335,493	0.00	69.63	107.97	0	69.63	12,903	107.97
Melstone H S	387,957	387,957	387,957	403,475	0.00	58.44	125.56	0	58.44	15,518	125.56
Musselshell Elem	96,709	94,317	96,709	99,771	0.00	11.16	83.14	0	11.16	3,062	83.14
Roundup Elem	1,469,267	1,381,728	1,510,125	1,528,037	42.50	48.85	69.24	40,858	6.35	58,770	26.74
Roundup H S	864,133	812,414	898,936	929,208	21.61	21.75	29.57	34,803	0.14	65,075	7.96
Park											
Arrowhead Elem	163,792	163,792	163,792	170,344	8.02	27.96	45.50	0	19.94	6,552	37.48
Cooke City Elem	32,034	32,034	32,688	33,315	9.81	31.79	25.81	654	21.98	1,281	16.00
Gardiner Elem	699,620	545,510	707,137	727,604	36.05	54.11	79.75	7,517	18.06	27,984	43.70
Gardiner H S	650,827	441,917	653,188	650,827	22.00	38.51	69.46	2,361	16.51	0	47.46
Livingston Elem	3,530,717	3,273,989	3,530,717	3,671,945	53.70	49.97	65.19	0	-3.73	141,228	11.49
Park H S	2,092,365	1,947,279	2,092,365	2,176,059	28.50	22.36	35.95	0	-6.14	83,694	7.45
Pine Creek Elem	62,745	62,745	67,151	70,080	3.83	36.89	51.30	4,406	33.06	7,335	47.47
Richland Elem	48,592	48,592	48,592	48,592	0.00	7.03	39.77	0	7.03	0	39.77
Shields Valley Elem	721,620	695,327	721,620	750,484	0.00	43.91	67.63	0	43.91	28,864	67.63
Shields Valley H S	600,921	587,597	600,921	624,957	22.20	35.52	63.97	0	13.32	24,036	41.77
Springdale Elem	35,465	35,465	37,774	36,883	11.85	15.15	13.55	2,309	3.30	1,418	1.70
Petroleum											
Winnett Elem	359,020	356,851	359,020	360,793	45.80	65.48	120.11	0	19.68	1,773	74.31
Winnett Schools	372,628	362,030	372,628	372,627	15.75	44.45	114.87	0	28.70	-1	99.12
Phillips											
Dodson Elem	484,938	422,733	484,938	484,937	16.96	36.54	93.75	0	19.58	-1	76.79
Dodson H S	483,336	483,336	483,336	483,336	23.00	49.22	59.00	0	26.22	0	36.00
Landusky Elem	33,315	33,315	34,475	34,647	3.00	6.51	6.93	1,160	3.51	1,332	3.93
Malta Elem	1,607,805	1,558,869	1,607,805	1,672,117	41.69	54.84	81.20	0	13.15	64,312	39.51
Malta H S	1,049,894	1,018,831	1,050,426	1,091,889	16.81	23.50	42.66	532	6.69	41,995	25.85
Saco Elem	551,185	531,826	551,185	551,185	18.99	39.10	91.92	0	20.11	0	72.93
Saco H S	537,638	537,638	537,638	537,638	18.97	47.56	95.37	0	28.59	0	76.40
Second Creek Elem	35,864	33,224	36,122	37,298	2.72	16.43	28.41	258	13.71	1,434	25.69
Whitewater Elem	446,224	441,964	446,224	446,224	28.44	26.71	79.95	0	-1.73	0	51.51
Whitewater H S	415,489	411,230	415,489	415,489	13.20	6.67	62.55	0	-6.53	0	49.35
Pondera											

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IMPACT OF HB667 USING EXISTING SCHEDULES
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Victor Elem	610,039	593,900	620,157	642,012	35.78	43.58	58.45	10,118	7.80	31,973	22.67
Victor Schools	476,836	461,822	481,636	496,051	12.89	30.53	42.28	4,800	17.64	19,215	29.39
Richland											
Brorson Elem	75,420	75,420	75,420	75,420	0.00	0.00	57.26	0	0.00	0	57.26
Fairview Elem	914,987	895,239	914,987	914,987	12.00	23.82	136.49	0	11.82	0	124.49
Fairview H S	1,100,582	1,082,664	1,100,582	1,100,582	0.00	7.97	101.05	0	7.97	0	101.05
Lambert Elem	540,205	536,637	540,205	540,205	51.87	77.42	175.68	0	25.55	0	123.81
Lambert H S	480,152	478,962	480,152	480,152	49.49	76.01	138.61	0	26.52	0	89.12
Rau Elem	230,576	230,576	230,576	239,799	3.58	27.56	99.98	0	23.98	9,223	96.40
Savage Elem	436,948	431,646	442,119	458,881	10.60	36.57	62.91	5,171	25.97	21,933	52.31
Savage H S	384,567	384,567	384,567	384,566	41.17	69.21	119.61	0	28.04	-1	78.44
Sidney Elem	3,923,730	3,746,254	3,923,730	4,080,679	30.80	42.92	107.28	0	12.12	156,949	76.48
Sidney H S	2,343,614	2,276,276	2,343,614	2,437,358	18.75	11.86	57.40	0	-6.89	93,744	38.65
Roosevelt											
Bainville Elem	533,804	528,802	533,804	533,804	0.00	3.78	96.36	0	3.78	0	96.36
Bainville Schools	487,215	484,738	487,215	487,215	0.00	3.05	91.21	0	3.05	0	91.21
Brockton Elem	656,301	319,456	656,301	656,301	53.26	62.90	220.12	0	9.64	0	166.86
Brockton H S	626,594	338,029	628,520	626,594	39.53	49.69	121.76	1,926	10.16	0	82.23
Culbertson Elem	909,404	817,912	909,404	945,780	30.90	29.49	71.74	0	-1.41	36,376	40.84
Culbertson H S	591,064	569,990	591,064	614,706	25.84	27.84	57.16	0	2.00	23,642	31.32
Froid Elem	420,788	420,788	420,788	437,619	47.61	76.46	105.09	0	28.85	16,831	57.48
Froid H S	373,855	366,664	373,855	388,809	23.76	43.55	87.27	0	19.79	14,954	63.51
Frontier Elem	581,316	558,515	581,316	604,568	0.00	35.48	79.76	0	35.48	23,252	79.76
Poplar Elem	3,952,000	3,762,881	3,952,000	3,952,000	0.00	28.86	96.48	0	28.86	0	96.48
Poplar H S	2,400,000	2,328,122	2,400,000	2,400,000	25.96	23.11	157.76	0	-2.85	0	131.80
Wolf Point Elem	2,741,798	1,966,831	2,793,462	2,851,469	10.86	26.86	62.47	51,664	16.00	109,671	51.61
Wolf Point H S	1,571,999	1,523,932	1,571,999	1,611,553	0.00	6.26	34.45	0	6.26	39,554	34.45
Rosebud											
Ashland Elem	475,500	317,780	488,939	494,520	33.91	33.85	83.28	13,439	-0.06	19,020	49.37
Birney Elem	66,000	66,000	66,000	66,000	18.93	40.34	104.97	0	21.41	0	86.04
Colstrip Elem	4,796,868	4,641,099	4,796,868	4,796,868	3.09	5.19	16.72	0	2.10	0	13.63
Colstrip H S	3,164,049	3,111,912	3,164,049	3,164,049	2.50	3.11	10.01	0	0.61	0	7.51
Forsyth Elem	1,620,434	1,503,614	1,620,434	1,685,251	40.47	41.06	84.65	0	0.59	64,817	44.18
Forsyth H S	984,610	953,603	1,020,922	1,023,994	0.00	7.98	31.00	36,312	7.98	39,384	31.00
Lame Deer Elem	2,132,558	1,015,793	2,132,558	2,132,557	45.44	50.89	2532.10	0	5.45	-1	2486.66
Rock Spring Elem	32,055	32,055	32,055	33,337	0.00	10.72	23.80	0	10.72	1,282	23.80
Rosebud Elem	364,442	353,797	364,442	379,020	43.75	71.62	95.59	0	27.87	14,578	51.84
Rosebud H S	300,887	300,887	300,887	312,922	24.91	33.05	68.94	0	8.14	12,035	44.03
Sanders											
Camas Prairie Elem	48,852	32,522	49,344	48,852	0.00	7.50	40.86	492	7.50	0	40.86
Dixon Elem	347,000	160,808	347,000	347,000	72.70	47.40	116.28	0	-25.30	0	43.58
Hot Springs Elem	527,730	503,866	528,671	548,839	48.75	52.20	92.67	941	3.45	21,109	43.92

EX 2
4-7-93
HB-667

DATE: 04/06/93
TIME: 22:30:30

IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
($40 MILLION)

	ACTUAL 93 BUDGET	HB 667 RESTATED 93 GF BUDGET (-874,SPED)	HB 667 RESTATED 93 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 93 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY93 BUDGET CHANGE	HB 667-FY93 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 MILL CHANGE
Greycliff Elem	79,413	79,413	81,059	82,589	0.00	16.12	49.16	1,646	16.12	3,176	49.16
McLeod Elem	43,675	43,675	43,675	45,422	0.00	9.09	52.18	0	9.09	1,747	52.18
Melville Elem	81,940	81,940	81,940	85,217	9.43	23.67	39.21	0	14.24	3,277	29.78
Sweet Grass County H S	960,051	943,162	960,051	998,453	37.06	32.29	44.24	0	-4.77	38,402	7.18
Teton											
Bynum Elem	94,342	94,342	100,329	130,970	13.21	19.02	31.51	5,987	5.81	36,628	18.30
Choteau Elem	1,043,105	1,000,003	1,045,875	1,084,829	49.39	48.40	63.77	2,770	-0.99	41,724	14.38
Choteau H S	984,883	972,223	984,883	984,882	51.07	52.50	69.90	0	1.43	-1	18.83
Dutton Elem	451,317	437,625	451,317	469,370	28.55	46.04	72.32	0	17.49	18,053	43.77
Dutton H S	440,690	435,730	440,690	458,317	37.69	46.90	74.56	0	9.21	17,627	36.87
Fairfield Elem	773,865	720,101	773,865	804,819	35.13	39.74	87.09	0	4.61	30,954	51.96
Fairfield H S	691,307	665,171	704,551	718,959	22.15	22.60	37.42	13,244	0.45	27,652	15.27
Golden Ridge Elem	83,951	81,514	89,556	87,308	19.50	30.59	61.60	5,605	11.09	3,357	42.10
Greenfield Elem	263,465	261,411	263,465	274,003	20.92	45.82	82.17	0	24.90	10,538	61.25
Pendroy Elem	47,904	47,904	47,932	47,904	6.69	5.63	29.09	28	-1.06	0	22.40
Power Elem	419,990	410,320	419,990	436,789	59.31	62.19	78.99	0	2.88	16,799	19.68
Power H S	346,400	345,342	348,489	376,626	41.20	44.82	45.66	2,089	3.62	30,226	4.46
Toole											
Galata Elem	114,400	114,400	114,400	114,400	0.00	0.00	21.73	0	0.00	0	21.73
Shelby Elem	1,894,540	1,824,123	1,894,540	1,970,321	54.07	51.47	96.85	0	-2.60	75,781	42.78
Shelby H S	1,283,060	1,257,256	1,283,060	1,283,059	26.03	30.37	60.32	0	4.34	-1	34.29
Sunburst Elem	849,091	816,186	849,091	883,054	7.02	16.86	81.44	0	9.84	33,963	74.42
Sunburst H S	800,021	790,758	800,021	800,021	26.25	42.49	80.31	0	16.24	0	54.06
Treasure											
Hysham Elem	478,727	468,158	478,727	497,876	24.44	40.00	54.68	0	15.56	19,149	30.24
Hysham H S	474,503	463,986	474,503	493,483	32.82	48.63	59.02	0	15.81	18,980	26.20
Valley											
Fort Peck Elem	255,250	255,250	255,250	255,250	125.22	249.39	712.01	0	124.17	0	586.79
Frazer Elem	832,240	349,783	834,101	832,240	43.60	48.99	72.99	1,861	5.39	0	29.39
Frazer H S	651,679	268,263	661,244	651,679	15.69	33.57	72.08	9,565	17.88	0	56.39
Glasgow Elem	2,951,458	2,875,735	2,951,458	2,952,106	92.22	101.81	118.62	0	9.59	648	26.40
Glasgow H S	1,752,000	1,714,145	1,752,000	1,752,000	62.79	59.67	83.54	0	-3.12	0	20.75
Hinsdale Elem	387,392	378,885	387,392	387,392	14.60	29.74	64.26	0	15.14	0	49.66
Hinsdale H S	434,979	433,662	434,979	434,979	12.79	23.59	73.29	0	10.80	0	60.50
Lustre Elem	280,597	271,473	280,597	280,597	8.67	11.82	77.47	0	3.15	0	68.80
Nashua Elem	523,963	489,685	523,963	544,921	65.32	63.46	77.25	0	-1.86	20,958	11.93
Nashua H S	495,969	466,854	495,969	515,807	42.53	52.85	55.22	0	10.32	19,838	12.69
Opheim Elem	537,258	520,481	537,258	537,258	38.15	55.56	96.98	0	17.41	0	58.83
Opheim Schools	515,861	515,861	515,861	515,861	32.51	44.97	88.52	0	12.46	0	56.01
Wheatland											
Harlowton Elem	691,305	659,284	697,854	722,392	34.08	42.32	61.52	6,549	8.24	31,087	27.44
Harlowton H S	648,456	640,027	648,456	674,393	26.79	33.28	51.64	0	6.49	25,937	24.85

NET EFFECT OF SUBCOMMITTEE ACTIONS

	FY94	FY95
33%MIN	$0.515	$1.792
WTD GTB	($0.592)	($0.670)
800 STOP LOSS	$1.075	$1.222
ENROLLMENT	$5.087	$5.381
VOTE BELOW 80%	$1.649	$0.918
SPECIAL ED GTB	$6.309	$6.309
GTB % TO 196	$0.390	$0.440
NET EFFECT	$14.433	$15.392

SENATE ~~TAXATION~~ Select Comm.
EXHIBIT NO. 3
DATE 4-7-93
BILL NO. HB 667

Senate Select Committee on School Funding
State Support for Public Schools

	Fiscal 1994			Fiscal 1995		
	Current Law	HB 667 Third Reading	Difference	Current Law	HB 667 Third Reading	Difference
Expenditures						
Direct State Aid	362,375,200	263,874,000	(98,501,200)	369,994,800	272,027,000	(97,967,800)
General Fund GTB	32,527,700	105,634,000	73,106,300	33,160,400	116,674,000	83,513,600
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Transportation	3,908,166	3,908,166	0	3,914,457	3,914,457	0
Bonus Payments	75,000	75,000	0	100,000	100,000	0
Total	416,069,816	390,674,916	(25,394,900)	425,013,257	410,559,057	(14,454,200)
Revenues						
School Equalization Account	391,637,000	394,553,000	2,916,000	400,698,000	404,864,000	4,166,000
Actions by Subcommittee						
Reach BASE (80%) in 3 yrs		515,000			1,792,000	
Weighted GTB for General Fund		(592,000)			(670,000)	
HS Stop/Loss @ 800 ANB		1,075,000			1,222,000	
ANB based on Enrollment		5,087,000			5,381,000	
Vote Below 80%		1,649,000			918,000	
Special Education Funding Weighted GTB for Retirement		(790,800)			(790,800)	
Revised Cost --Subcommittee Action		6,943,200			7,852,200	
Revenue Surplus (Shortfall)		(3,065,116)			(13,547,257)	

** Other decisions affecting cost include removing the limit on administrative costs and removing capital outlay and bus purchases from the general fund.*

April 6, 1993

SENATE ~~TAXATION~~ Select Co
EXHIBIT NO. 4
DATE 4-7-93
BILL NO. HB 667

ROOM 303
BONNIE

CORVALLIS SCHOOL DISTRICT #1

1045 Main Street - P.O Box 700
Corvallis, Montana 59828

K.W. MAKI
Superintendent, 961-4211

FAX 961-5144

SARAH S. SCHUMACHER
9-12 Principal, 961-3201

MARION DALEY
K-4 Principal, 961-3261

ALLYSON HOILAND
5-8 Principal, 961-3007

SENATE ~~TAXATION~~ Select Comm
EXHIBIT NO. 5
DATE 4-7-93
BILL NO. HB 669

April 6, 1993

TO: Education and Taxation Committees
Senate Select Committee

FROM: K. W. Maki

SUBJECT: School District General Fund Expenditures

Corvallis School District #1 is opposed to the proposed restrictions on general fund expenditures. In most school districts there are usually several capital outlay projects each year that must be financed and completed. Corvallis is no exception. Since we live in an economically depressed district, it has been necessary for us to expend general fund money for capital projects (classrooms, accessibility, and State Code projects). School districts must maintain local control in regard to budget expenditures.

The pending legislation (school funding/budgets) before the 53rd Legislative Assembly places caps on all segments of the school's budget. Therefore, it is may not be necessary for restrictions to be placed on general fund expenditures.

Once again, we are opposed to restrictions on general fund expenditures.

Thank you.

K. W. Maki

km/ls

DATE 1-7-93

SENATE COMMITTEE ON Select School Finance HB 667, SB 432

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One Support	Oppose
Dustin Hill	Scobey Schools	667		
Ken Halvorson	Opheim S.D.	667		

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON SCHOOL FINANCE

Call to Order: By Chairman Mike Halligan, on April 12, 1993, at 3:30 p.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Chet Blaylock, Vice Chair (D)
Sen. John Brenden (R)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Dorothy Eck (D)
Sen. Harry Fritz (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)
Sen. Bill Wilson (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: None.
Executive Action: HB 667

EXECUTIVE ACTION ON HB 667

DISCUSSION:

Jan Thompson, Office of Public Instruction (OPI), explained the spread sheet, which is Exhibit No. 1 to these minutes. This

spread sheet was prepared by OPI and the Office of the Legislative Auditor (OLA) at the request of the Select Committee, and shows comparisons of HB 667, as it is now with the regression model, to what HB 667 would look like using the current schedules in law. Jim Gillett, OLA, as well as Doug Kosty, OPI, have agreed on the numbers that have gone into both formulas as far as non-levy revenues used. The only fundamental difference between the information on this spread sheet is under the schedules; OPI looked at the current schedules in law and established an 80% and 100%, and the established the 80% and 100% under the regression model.

Ms. Thompson said the columns in the spread sheet are as follows:

1st: The actual 93 Budget per school district, based on the current school year.

2nd: The anticipated Fiscal Year 94 Average Number Belonging (ANB), adjusted to allow for the amendment from the Committee that ANB would be based on the prior year's enrollment rather than the current formula that OPI is using. It is based on the October, 1992, enrollment. If that amendment stays in the bill, OPI will take an enrollment twice a year, average that number, and use that number as the ensuing year's ANB.

3rd: The Restated 94 Budget. This is under the regression model that is in HB 667 now. The assumptions that were made is that school districts currently under the 80% in HB 667 would grow 20%. OPI realizes there is a 30% growth requirement in HB 667 now, but the decision was to use 20%.

4th: The Restated 94 Budget if OPI used foundation program schedules currently in law. OPI determined the 80% and 100% as 100% equates to 185% of the current foundation program; 80% of that equates to 148% of the foundation program. All other assumptions are the same and they grow 20% a year over a 5-year period. If a district is between 80% and 100%, it will grow 4% a year; if over the 100% level, funds are frozen. The starting point is the FY 93 Budget.

5th: The Actual 1993 Mills levied this year for General Fund, which includes voted and permissive levies.

6th: The Mills that would be levied in 1994 if HB 667 were to be implemented as it is now.

7th: The Mills that would be levied in 1994 by taking some of the components of HB 667 and only use the schedules as a starting point for funding rather than the regression model.

8th: Three columns under HB 667-FY 94: The first column is the budget change between FY 93 and FY 94 using the regression

model. The second column is where the district is in 1994 in relation to their maximum budget (the maximum being 100% of the base entitlement). The third column is the mill change the district would see between FY 93 and FY 94 as a result of HB 667.

9th: The last three columns are similar to the past three, only with the current schedules. The first column is the budget change between FY 93 and FY 94. The second column is where the district is in relation to its maximum in 1994. The third column is the mill levy change between 1993 and 1994.

Ms. Thompson presented Exhibit No. 2 to these minutes, which are assumptions used by OPI to determine the impact of HB 667 using existing schedules.

Jim Gillett, presented Exhibit No. 3, which is a supplement to Exhibit No. 2. Mr. Gillett said the decision faced by this Committee is a fundamental one; to use the model as it exists in HB 667 now, or change to the schedules. Mr. Gillett presented Exhibit No. 4, which was prepared for the House Select Committee and was influential in that Committee's decision not to go with current schedules. The current foundation schedules are weighted to school size; the State gives more funds to a small school per ANB than it gives to a large school. Exhibit No. 4 shows an analysis by current school size category; category 1 of Elementary being the smallest, category 8 being the largest. Elementary Category 1 spends 1.48% times their foundation schedules to operate on an average, and Elementary Category 8 spends 1.36%. However, Category 2 Elementary Schools spend 2.11 times their foundation program amount to fund their operation on an average. Mr. Gillett said this fact caused the House Select Committee to arrive at the conclusion that there are equalization problems in the schedules as they exist and that is why they chose to start with current spending, not with schedules.

Chairman Halligan said this Committee needs to decide whether to stay with the foundation schedules or go with HB 667.

Senator Blaylock said the Subcommittee's recommendation to this Committee was to go with the HB 667 model.

Senator Brown said the education community has said they prefer HB 667 to the existing system.

In response to questions by Senator Blaylock, Ms. Thompson said the only difference between the current schedules and the way HB 667 is right now is that OPI is using the current foundation schedules to determine the 80% and 100% rather than the regression model; the budgets are built the same way under both systems. The only fundamental difference is whether to determine the 80% and 100% using the current schedules or to determine the 80% and 100% using the base entitlement in HB 667. Everything else is the same.

Senator Waterman said she thinks there are serious questions about whether or not the current schedules are valid, and they have generated three different lawsuits against the state; she would feel more comfortable working off the HB 667 proposal.

Ms. Thompson said that the current schedules have never been declared unconstitutional in court.

Senator Towe asked when the current schedules were set up. Andrea Merrill, Legislative Council, said the schedules were done on an analysis of the average of the general fund budgets of school districts in FY 46. The percentage increases were made based on various studies, with the last study done in 1974. Since that time straight percentage increases across all categories have been the mode of increasing school funding, until 1989, when some special increases were made in elementary categories.

Senator Grosfield said in comparing some rural counties with the urban counties, it looks like some rural counties would be hurt more by going with the current schedule, rather than going with HB 667.

Ms. Thompson said going to the model in HB 667 has a tendency in general to move money from the larger school districts to the smaller school districts.

Ms. Thompson said in order to come up with the $40 million that is the Committee's target, 75% of the foundation schedules are paid by the state, the other 25% are getting rolled into the GTB subsidized portion.

Senator Gage asked if non-mill revenue has been considered in relation to higher millages in school districts that reflect higher millages. Ms. Thompson said no, that under both scenarios non-levy revenue was treated as it always has been treated, so the only differences between the mills under either proposal would be the level of direct state funding.

Senator Gage asked if the level of base entitlement, student allocation, and reduction factors were geared to current schedules. Mr. Gillett said they were not based on the schedules; they were based on the current spending patterns in schools.

Senator Gage asked if the 874 money was pulled out. Mr. Gillett said the 874 money was not pulled out; it was used to reduce the number of unsubsidized mills.

Senator Blaylock asked Rep. Kadas if he would comment on the spread sheet and how he sees it, using current schedules visavis the HB 667 model. Rep. Kadas said it is an honest comparison; the main functional difference is whether one uses the regression analysis to drive the base, or uses the old schedules to drive

the base. He said there is a problem with the schedules in Categories 1 through 4 that needs to be dealt with. As far as the over-all change, he thinks there is a clear shifting between urban and rural between the two options. The MREA lawsuit is based on whether the schedules are accurate, or whether they fairly reflect what should be the cost of the system. Those plaintiffs argued that they didn't agree with using the regression line in HB 667, because it was driven by total expenditures, and total expenditures were driven by existing schedules. Rep. Kadas understands the MREA has softened their position because the GTB is weighted.

Senator Toews said school districts are looking for a budget that makes sense year after year, so they will know where they are going to be adjusted. He believes HB 667 will give the districts a direction.

MOTION:

Senator Brown moved that the Select Committee approve the Subcommittee recommendations on HB 667.

SUBSTITUTE MOTION/VOTE:

Senator Towe moved that the Select Committee use the current schedules. Motion FAILED 11-6 on Roll Call Vote (#1).

MOTION/VOTE:

Senator Stang moved to accept the Select Subcommittee Recommendations en masse, including the weighted GTB with #4. Motion CARRIED on oral vote with Senators Gage and Harp voting "NO".

DISCUSSION:

Senator Brown presented Exhibit No. 5 to these minutes and explained each of the amendments he is proposing. He said if the first two amendments are adopted, approximately $5 million would be saved. If the third amendment is adopted, approximately $2 million would be saved.

MOTION:

Senator Brown moved to adopt the amendments on Exhibit No. 5 to these minutes.

DISCUSSION:

Senator Stang said the philosophies of the committee members may differ on these amendments. The Subcommittee discussed the No Voted below the mandatory increase and felt if they didn't vote above that, what they allowed the districts above 80% to vote would be creating some inequities. His philosophy for

districts below the 80% level was that if they are given the ability to increase 20% per year permissively, and it is a big increase in taxes for most of those taxpayers, they are not going to vote anything above the 20% anyway to bring them up to the 80% level. Senator Stang asked that the amendments be divided and voted on separately.

Senator Van Valkenburg said he thinks the one issue that will cause additional problems in court is having schools that are way below the 80% level, and the Subcommittee was trying to come up with a mechanism to move those schools up to the 80% level as quickly as possible within reasonable bounds. For a cost of $2.2 million, we are solving the most serious problem we face with respect to litigation. If we wait for five years to do this, we are waiting for two more legislative sessions to pass. It would be 1998 before schools would be brought up to the 80% level. Senator Van Valkenburg does not think it should be done that way for the sake of $2 million.

Senator Brown expressed concern that if the GTB percentage is reduced further than his proposal of 172% of state-wide average, there could be additional problems.

VOTE ON AMENDMENT NO. 1:

The motion to adopt the amendment to return the minimum growth to 20% in the House version FAILED 9-6 on Roll Call Vote (#2).

DISCUSSION:

Senator Brown explained his second amendment. The Subcommittee recommendation would allow the Districts below the 80% level to raise at 33 1/3 per year for a three year phase-in, but districts can vote to do it faster. Senator Brown said if they are not allowed to vote the raise faster, they can't obligate the GTB money as fast. When HB 667 passed out of the House, it was set to raise in five years, 20% vote each year. That is what he tried to restore with his first amendment.

Senator Stang said there are some districts who are just below the 80% level, and they would be forced to raise to 80% over a three-year period, instead of being allowed to raise in one year, if this amendment passes.

Jan Thompson clarified the fact that HB 667, as it is written now, allows districts to go the 20%, or 104% of last year's budget, whichever is greater. In the case of a district that might be at 77%, they could go to 80% in one year using 104% of their previous year's budget.

VOTE ON AMENDMENT NO. 2:

The motion that no voted levy increase above mandatory growth below 80% FAILED 13-4 on Roll Call Vote (#3).

DISCUSSION:

Senator Stang said all of the amendments proposed by the Subcommittee added approximately $15 million to the annual cost of HB 667. His instructions were to adjust the percentage to meet that additional expense. Amendment No. 3 would take the $15 million out of the cost of the bill, however, the percentage would need to be changed accordingly. The 172% would take $10 million out of the bill. (The estimate is approximately 166%.)

VOTE ON AMENDMENT NO. 3:

The motion to change the GBT percentage to 166% of state-wide average FAILED 10-7 on Roll Call Vote (#4).

DISCUSSION:

Senator Stang suggested a need for re-definition of state equalization aid. He said there were some discussions as to whether that is included in HB 667. Andrea Merrill said that is considered a technical amendment, the language has been worked out with OPI, and amendments will be made to those sections in the bill.

Sen. Waterman said this amendment would basically clarify language that may prevent possible confusion in using State Equalization Aid.

MOTION/VOTE:

Senator Stang moved to AMEND HB 667 in defining the term, "State Equalization Aid", and that the Committee approve the concept agreed upon by OPI and Legislative Council staff. The motion CARRIED unanimously on oral vote.

DISCUSSION:

Senator Van Valkenburg brought up some issues for discussion. One is utilization of the weighted GTB. There is an understanding that if the weighted GTB is used, the 1,000 student Stop Loss would be changed to an 800 Stop Loss. This Stop Loss drop would give larger school districts a benefit, while the weighted GTB largely benefits smaller school districts. It may not have the effect of discouraging any unification of districts; this may act as an incentive for some districts to become smaller when put together with the regression formula to set a base entitlement and have a reduction factor. He said the weighted GTB benefits to the smaller schools are at the expense of the larger schools, which may hurt taxpayers in those larger

districts by them having to pick up a greater share. Senator Van Valkenburg asked Representative Kadas if he has any additional comments about this issue. Rep. Kadas said he asked for an analysis of the impacts, using the weighted GTB. A comparison was made of all the districts with the weighted GTB and without. Then a sort was made, based on those districts most heavily impacted down to those who gained the greatest benefit. The ten districts who are impacted the most are currently levying 51.7 mills on the average. The ten districts who will receive the most benefit are currently levying 28.5 mills. What this will do is tell the districts who are already making the most effort, that they will have to increase their millage, and the districts that are making the least effort that they will be rewarded. High school districts are not as affected as the elementary districts, but Rep. Kadas questions whether this is a good policy decision, to penalize the districts who are making the most effort, which would be the effect of what is being done here.

Sen. Stang asked if non-mill levy was used in the analysis of the ten districts that have the burden effect. Rep. Kadas said non-levy revenue is treated the same way it is treated in the bill.

Sen. Stang said HB 667 is not being done as a consolidation bill, or an anti-consolidation bill; consolidation should be done as a separate issue so the general public can have input. HB 667 is being presented as a school funding bill to address equity issues. He said what the weighted guaranteed tax base does is equalizes to the dollar and the mill the amounts between the 40% and 80%, and that is the part we are saying is equal. If the GTB is applied to the permissive mills between the 40% and 80% level, it takes the same number of mills to come to the 80%. The weighted GTB truly equalizes between 40% and 80%. The 20% over and above that is not going to be equalized. Unless the committee wants to give GTB to the 100% and fund 100% on the schools throughout the state, the 20% will always be unequal. That is where the big difference will be in the mills. To the point of 80%, the guaranteed tax base is equalized.

Senator Blaylock said the fact that the schools making the greater effort now will be hurt, and those making the lesser effort will be helped, is persuasive to him. Through the years there have been a number of schools who have kept their millages low and now, through the guaranteed tax base, they are being helped considerably because they have a long ways to come up to the 80% level.

Senator Towe asked if the 1,000 Stop Loss versus the 800 Stop Loss would come close to making up the difference in the guaranteed tax base in the districts discussed. Senator Stang said the weighted guaranteed tax base saves $1.2 million over the biennium; the 800 Stop Loss costs $2.2 million over the biennium. Putting the two of them together, will give the larger

schools approximately a $1 million advantage. He said there is some merit for moving the Stop Loss from 1,000 to 800.

MOTION/VOTE:

Senator Van Valkenburg moved to eliminate the weighted GTB, and go back to a 1,000 student stop/loss, as included in HB 667 when it passed out of the House. The motion FAILED 9-8 on Roll Call Vote (#5).

DISCUSSION:

Senator Van Valkenburg asked what would happen if the non-levied revenue is brought in to the school equalization account and used to equalize some of the school funding. This will cut down on the amount of additional money necessary to fund the formula being used. Approximately $15 million per biennium is presently being brought in from two principle sources: the local government severance tax, and motor vehicle fees. He asked Rep. Kadas to comment on this.

Rep. Kadas said there are about 10 different sources of non-levy revenue; he targeted five of them. He tried to pick ones which the school districts would have no incentive to maintain. Interest income, cash reappropriated, and tuition are all non-levy revenue sources which he did not use. The ones he suggested taking are: (1) Local government severance tax; (2) Motor vehicle fees; (3) Corporate license tax; (4) Net proceeds tax; and, (5) Coal gross proceeds tax. Under the Boharski amendment, using actual 1992 non-levy revenues instead of budgeted numbers, the total amount from those five sources would be $19 million a year. That money is currently being used before permissive mills and guaranteed tax base, at a cost of $8 million; there is a net swing of $11 million. A district gets their scheduled amount and special education share from the state; the next 35% is permissive, but before a district can levy any permissive mills, they have to use their non-levy revenue. If a portion of the non-levy revenue is taken out, that gap has to be filled with general fund (school equalization) money. This is the $8 million cost. Rep. Kadas said the $15 million is the budgeted amount; $19 million is the actual non-levy revenue expenditures in FY 92. That mechanism is adopted in HB 667 via Rep. Boharski's amendment on the House floor.

MOTION:

Senator Van Valkenburg moved to recapture the non-levy revenue, and bring it into the school equalization account, limiting it to the five sources that Rep. Kadas identified.

DISCUSSION:

Senator Towe asked why motor vehicle revenues and corporate license taxes would be used, instead of just using local

government severance tax and net and gross proceeds taxes. Rep. Kadas said the local government severance tax, and the net and gross proceeds taxes, are the most unequalized revenue sources. The reason motor vehicle and corporate license taxes are included is because he wanted to show some good faith that urban areas ought to be contributing to this.

Senator Toews said SB 28 already took 45% of the full revenue from many districts; now some districts are facing a 40% to 60% increase in mills if this amendment passes. This is a major impact on some schools.

Senator Hertel said if the local government severance tax is included, it would impose a much larger tax, and some businesses will be shut down, especially those who are on the verge anyway.

Senator Stang said it was discussed in the Subcommittee that a letter could be written to the OPI requesting them to show the Legislature exactly how this would affect the impacted districts in the course of OPI's continuing study reported every two years. The Subcommittee did not feel comfortable putting this in now without knowing more of the impact information. If HB 667 should pass and become law, and in order to further equalize, a look will need to be taken at the non-levy revenues in the next two years. By then the Legislature will have a better idea of what it does to the districts and maybe decide to phase it in at that time.

Senator Towe asked Rep. Kadas what the impact will be to the taxpayer. Rep. Kadas said it has no affect on the local government severance tax, which is a flat-rate tax. It will change the distribution. Because some counties will be affected and will not receive that money, which will be going to the state, those counties will have to increase their mills. Because there is generally so little equipment in the oil fields, he doesn't think that will have a significant impact on the oil industry. Some districts will have an increase in millage, which will make them comparable to what everyone else is paying now.

Senator Towe suggested that the only thing affected is that the mills levied generally would have to be increased in those districts. At the present time, because of the net and gross proceeds and the local government severance taxes, plus, in some instances, because of a very high revenue from the property tax on the equipment (coal mines, for example), those counties presently levy very low mills and it would push them up closer to average. He said they will pay higher taxes, but their taxes are very low now, and it is justified. He called attention to the fact that SB 432, which he introduced, was power equalized, and those low-taxing counties would pay a much higher tax; they need to be equalized. He thinks if we want to even suggest that we are equalizing, we need to adopt this amendment.

Senator Eck said when the local government severance tax was put on, it was done to protect the industries, and most of the taxpayers in those counties supported the bill. What has happened is everyone else's taxes have gone up and those extractive industries have protection so their taxes don't raise. She thinks it is important that this be done; however, she would be in favor of a phase-in. She said the Legislature definitely needs to look at the whole picture of equity over the next two years.

Senator Yellowtail said districts like his will take an enormous hit, and asks that this amendment not pass. At some future time, on a phase-in basis, he might consider its merits.

Senator Gage said that two sessions ago he started looking at what would happen if the flat-tax on coal, local government severance tax, net proceeds tax, and oil tax, that all essentially affect property, were taken to the state level for funding of the Foundation program. He thinks if the Legislature is serious about looking at equalization, these all need to be included in this whole formula. He doesn't think anybody knows the full impact this would have on the individual school districts. An amendment was drafted that would call for a study of those issues during the next interim.

Senator Van Valkenburg said the taxpayers in his district are now paying over 500 mills, most of which is for support of schools. There are plenty of districts in the State where people are paying less than one-half of those mills. In 1989, the Legislature was forced to adopt the local government severance tax in order to make sure the oil companies and the coal companies didn't have to pay their share. When HB 28 was adopted, the funds should have been equalized. He said this motion will use the motor vehicle fees, fees which largely come from the large cities in the state. This is a way to pay for some of the changes made in HB 667, without having to go to the general fund, the income taxes, or a realty transfer tax.

VOTE:

The motion FAILED on tie vote of 9-9, on Roll Call Vote (#6).

MOTION:

Senator Brown moved for adoption of the amendments on Exhibit No. 6.

DISCUSSION:

Exhibit No. 6 to these minutes was distributed. Senator Brown said these amendments were prepared by Andrea Merrill at the request of the MEA. The MEA came before the Select Committee, prior to the Subcommittee being formed, asking that

something be done to guarantee that state level support for school funding be maintained. These amendments would tie HB 667 to the Sales Tax Referendum, which will presumably be on the June ballot. The 4% figure is the amount determined to be the cost-of-living factor. The idea is, if it can be done, and maintained over a period of time, it might keep us out of court in the long-term. This would be a new source of revenue that would make possible the concept being used.

Senator Stang said the Subcommittee discussed whether to have a Cost of Living Allowance (COLA) in HB 667, and it was determined not to include it. He doesn't think the approval, or non-approval, of the sales tax should have an affect on the COLA. The discussion of COLA centered around the fact that if it is included, the districts are going to be expecting a percentage increase. However, there is no guarantee a percentage of the sales tax will be available for school financing every two years if future Legislatures decide to eliminate it.

Senator Van Valkenburg said when the sales tax bill was discussed by the Taxation Committee, that Committee rejected earmarking funds for the university system; he speaks against Senator Brown's motion.

Senator Eck spoke in favor of this motion. She said a proposed sales tax has traditionally been a tax to support government, and especially education. One of the primary objections to the sales tax presented in SB 235 is that there is no commitment in it for an investment in education. Senator Eck said having a commitment to education ought to be a strong part of a sales tax bill.

Rep. Boharski said this 4% COLA would affect only the second year of this biennium with $15 million; the year after that it becomes $30 million, and on and on.

Senator Doherty said this will only take affect if the sales tax passes, and he sees it as a gimmick to get people to buy into the sales tax.

Senator Blaylock commented that, assuming the sales tax leaves the Legislature and goes to the general public for a vote, there needs to be an argument in support of the sales tax for education. However, other states have forgotten about education after their sales tax has come into existence. Senator Blaylock thinks that as long as education is being used as a selling point, it is not too much to ask that a certain amount would be permanently tied into education.

Senator Towe asked Senator Brown if it is good for a general concept of having some of the sales tax go into the education funding to provide for future inflation, why wouldn't the same thing be done for income tax or other alternative revenue sources. Senator Brown replied that the sales tax issue will

presumably go on the June ballot and would generate some new revenue. The foundation program that exists now has run into constitutional problems because it is underfunded. If the state is going to try to stay out of court in the future, it needs to adopt a concept to cover inflation, and he would like to see the sales tax revenue dedicated for this purpose. There presently are radically different amounts generated per mill from one school district to another around the state; however, 4% is the same in any district. If education is to be put on a better long-term stable source of equalized funding, this amendment makes sense, according to Senator Brown, and he urges support.

Senator Van Valkenburg said Senator Brown may have a case for using sales tax revenues to equalize school funding, but to decide now to provide for a 4% increase in the basic entitlement is premature; this would be making an appropriation decision to spend 1997 biennium money now, to the exclusion of anything else that may come up for funding at that time.

Senator Gage read Subsection (3), Page 2, of the amendments, which says "Allocations may not be made from the sales tax and use tax account until appropriated." He said he assumes that means the 1995 Legislature would have to make the appropriations to be effective for the full year after July 1, 1994, for the 94-95 school year. This would use funds before the 1997 biennium, and he asked what impact this would have on OPI's cash flow. Senator Van Valkenburg replied that if this money is being spend in the 1994 biennium, the base is being built, therefor increasing the amount of money to be spent in the 1997 biennium.

Senator Towe said he has problems with the concept of funding with the sales tax, because there will be no more money in the sales tax revenues than there is in the other revenues. He doesn't think we should pre-destine the source of the revenues.

Senator Yellowtail said we are proposing to short-change our options for the next legislative session, supposing there is any revenue that would be generated and left over from a sales tax, which would be available for use of the 1995 session. He said there will be many competing interests that will need to be apportionately prioritized. He thinks this amendment will head off alternatives in the 1995 session, and he cannot support it.

Senator Eck said the areas where the major cuts have been made in this legislative session, $40 million in public education plus the amounts in higher education, are just two. She understands there will be between $60 million and $90 million each year and she thinks spending from $15 million to $30 million on public education is a very good use of the money. An equal amount could be spent for higher education and still be able to address a lot of the other issues the legislature has to address.

Senator Brown said that when the foundation program was created, a certain amount of the income tax revenue was automatically dedicated to the public schools. Before the state indexed income tax by initiative, it was elastic, so the elasticity of the income tax meant it had some natural growth in each biennium. Now we are facing a sales tax that is not indexed to the extent that there will be inflation increases. He reminded the Committee that there is not a set amount of money. He said this 4% figure is a ball-park figure of what the cost of living increase usually amounts to, so with natural growth, the legislature would be making sure that the funding of public schools isn't left out of the natural growth, and the state would not find itself back in court again.

VOTE:

The motion FAILED 11-7 on Roll Call Vote (#7).

MOTION:

Senator Brown moved changing the 4% figure to 2%. Chairman Halligan asked if anyone would change their vote if the figure is 2%. No committee member responded affirmatively. Senator Brown withdrew his motion.

MOTION/VOTE:

Senator Stang moved HB 667 BE CONCURRED IN AS AMENDED (HB066737.aam). The motion CARRIED 11-7 on Roll Call Vote (#8). Senator Stang will carry the bill on the Senate floor. (811558SC.Sma)

ADJOURNMENT

Adjournment: The meeting adjourned at 5:45 p.m.

MIKE HALLIGAN, Chair

BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE DATE 4-12-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		
Sen. Blaylock, Vice Chair	✓		
Sen. Fritz	✓		
Sen. Hertel	✓		
Sen. Brenden	✓		
Sen. Toews	✓		
Sen. Waterman	✓		
Sen. Wilson	✓		

FC8

Attach to each day's minutes

ROLL CALL VOTE #1

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown		✓
Sen. Doherty		✓
Sen. Eck	✓	
Sen. Gage		✓
Sen. Grosfield		✓
Sen. Halligan	✓	
Sen. Harp		✓
Sen. Stang		✓
Sen. Towe	✓	
Sen. Van Valkenburg	✓	
Sen. Yellowtail		✓
Sen. Blaylock		✓
Sen. Fritz		
Sen. Hertel		✓
Sen. Brenden		✓
Sen. Toews		✓
Sen. Waterman		
Sen. Wilson	✓	

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Substitute Motion to use the current schedule
Motion failed 11-6

ROLL CALL VOTE #2

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown	✓	
Sen. Doherty		✓
Sen. Eck		✓
Sen. Gage	✓	
Sen. Grosfield	✓	
Sen. Halligan		✓
Sen. Harp	✓	
Sen. Stang	✓	
Sen. Towe		✓
Sen. Van Valkenburg		✓
Sen. Yellowtail		✓
Sen. Blaylock		✓
Sen. Fritz		
Sen. Hertel	✓	
Sen. Brenden		✓
Sen. Toews		
Sen. Waterman		
Sen. Wilson		✓

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Amendment #1 from Sen. Brown - Return minimum grant to 20% in House version

Passed 9-6

ROLL CALL VOTE #3

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB 667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown	✓	
Sen. Doherty		✓
Sen. Eck		✓
Sen. Gage	✓	
Sen. Grosfield	✓	
Sen. Halligan		✓
Sen. Harp	✓	
Sen. Stang		✓
Sen. Towe		✓
Sen. Van Valkenburg		✓
Sen. Yellowtail		✓
Sen. Blaylock		✓
Sen. Fritz		
Sen. Hertel		✓
Sen. Brenden		✓
Sen. Toews		✓
Sen. Waterman		✓
Sen. Wilson		✓

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Amendment #2 from Sen. Brown - he voted to increase a one mill levy growth below 80%.

ROLL CALL VOTE #4

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB1667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown	✓	
Sen. Doherty		✓
Sen. Eck		✓
Sen. Gage	✓	
Sen. Grosfield	✓	
Sen. Halligan		✓
Sen. Harp	✓	
Sen. Stang		✓
Sen. Towe		✓
Sen. Van Valkenburg		✓
Sen. Yellowtail		✓
Sen. Blaylock		✓
Sen. Fritz		
Sen. Hertel	✓	
Sen. Brenden	✓	
Sen. Toews	✓	
Sen. Waterman		✓
Sen. Wilson		✓

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Amendment #2 Sen. Brown - Change 9 to 12 percent to 10 % Statewide average.

ROLL CALL VOTE #5

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB1667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown		✓
Sen. Doherty	✓	
Sen. Eck	✓	
Sen. Gage		✓
Sen. Grosfield		✓
Sen. Halligan	✓	
Sen. Harp		✓
Sen. Stang		✓
Sen. Towe	✓	
Sen. Van Valkenburg	✓	
Sen. Yellowtail		✓
Sen. Blaylock	✓	
Sen. Fritz		
Sen. Hertel		✓
Sen. Brenden		✓
Sen. Toews		✓
Sen. Waterman	✓	
Sen. Wilson	✓	

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Eliminate the weighted GTB and go back to 1,000 U S Stop / Loss.

Failed 9-8.

ROLL CALL VOTE #6

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB667

DATE 4-12-93 TIME 3:30 A.M (P.M)

NAME	YES	NO
Sen. Brown		✓
Sen. Doherty	✓	
Sen. Eck	✓	
Sen. Gage		✓
Sen. Grosfield		✓
Sen. Halligan	✓	
Sen. Harp		✓
Sen. Stang		✓
Sen. Towe	✓	
Sen. Van Valkenburg	✓	
Sen. Yellowtail		✓
Sen. Blaylock	✓	
Sen. Fritz	✓	
Sen. Hertel		✓
Sen. Brenden		✓
Sen. Toews		✓
Sen. Waterman	✓	
Sen. Wilson	✓	

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Doing away with non-levy revenue; limit to the 5 sources identified in Rep. Kadas' Motion failed 9-9 this date.

ROLL CALL VOTE #7

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB 667

DATE 4-12-93 TIME 3:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown	✓	
Sen. Doherty		✓
Sen. Eck	✓	
Sen. Gage		✓
Sen. Grosfield		✓
Sen. Halligan		✓
Sen. Harp	✓	
Sen. Stang		✓
Sen. Towe		✓
Sen. Van Valkenburg		✓
Sen. Yellowtail		✓
Sen. Blaylock	✓	
Sen. Fritz		✓
Sen. Hertel		✓
Sen. Brenden		✓
Sen. Toews	✓	
Sen. Waterman	✓	
Sen. Wilson	✓	

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: Adopt Amendments by Senator Merrill.

Failed 11-7.

ROLL CALL VOTE #8

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE BILL NO. HB667

DATE 4-12-93 TIME 2:30 A.M. (P.M.)

NAME	YES	NO
Sen. Brown		✓
Sen. Doherty		✓
Sen. Eck		✓
Sen. Gage	✓	
Sen. Grosfield	✓	
Sen. Halligan		✓
Sen. Harp		✓
Sen. Stang	✓	
Sen. Towe	✓	
Sen. Van Valkenburg		✓
Sen. Yellowtail	✓	
Sen. Blaylock	✓	
Sen. Fritz	✓	
Sen. Hertel	✓	
Sen. Brenden	✓	
Sen. Toews	✓	
Sen. Waterman	✓	
Sen. Wilson		✓

Bonnie Stark
SECRETARY

Mike Halligan
CHAIR

MOTION: HB667 be concurred in as amended.
Carried 11-7.

Select Committee on School Finance

~~SENATE~~ EDUCATION
EXHIBIT NO. 1
DATE 4-12-93
BILL NO. HB 667

DATE: 04/12/93
TIME: 07:52:06

IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Beaverhead													
Beaverhead County H S	1,853,089	476	1,927,213	1,927,213	26.59	27.40	33.68	74,124	0.77	0.81	74,124	0.82	7.09
Dillon Elem	3,170,993	986	3,297,833	3,297,833	32.97	62.65	61.28	126,840	0.84	29.68	126,840	0.82	28.31
Grant Elem	77,670	28	80,777	80,777	14.39	29.95	32.97	3,107	0.70	15.56	3,107	0.74	18.58
Jackson Elem	76,773	17	77,473	76,773	19.24	60.20	70.75	700	1.00	40.96	0	1.26	51.51
Lima Elem	299,565	80	311,548	311,548	0.00	38.84	35.85	11,983	0.77	38.84	11,983	0.70	35.85
Lima H S	284,223	37	295,592	295,592	18.76	27.70	25.40	11,369	0.77	8.94	11,369	0.76	6.64
Polaris Elem	36,557	14	39,963	38,019	23.94	27.87	41.44	3,406	0.60	3.93	1,462	0.71	17.50
Reichle Elem	71,667	15	71,667	71,667	12.15	52.27	63.44	0	1.02	40.12	0	1.26	51.29
Wisdom Elem	140,000	47	145,600	145,600	0.00	40.95	34.72	5,600	0.80	40.95	5,600	0.72	34.72
Wise River Elem	77,796	23	80,908	80,908	12.71	49.36	46.45	3,112	0.82	36.65	3,112	0.77	33.74
Big Horn													
Community Elem	87,716	21	91,225	91,225	5.59	25.48	23.12	3,509	1.00	19.89	3,509	0.92	17.53
Hardin Elem	4,793,690	1,203	4,804,027	4,985,438	36.48	59.48	62.53	10,337	1.00	23.00	191,748	0.98	26.05
Hardin H S	2,719,397	409	2,719,397	2,719,397	0.00	30.72	33.94	0	1.22	30.72	0	1.31	33.94
Lodge Grass Elem	2,751,602	393	2,751,602	2,751,602	0.00	257.28	265.13	0	1.65	257.28	0	1.64	265.13
Lodge Grass H S	1,919,482	187	1,919,482	1,919,482	0.00	111.71	117.40	0	1.67	111.71	0	1.70	117.40
Plenty Coups H S	616,703	62	616,704	616,703	42.51	33.96	40.76	1	1.18	-8.55	0	1.05	-1.75
Pryor Elem	300,865	36	300,865	300,865	57.35	63.98	62.60	0	1.21	6.63	0	1.17	5.25
Squirrel Creek Elem	70,005	4	70,006	70,005	0.75	3.82	3.30	1	2.19	3.07	0	1.60	2.55
Wyola Elem	483,491	55	483,491	483,491	52.74	114.10	85.75	0	2.09	61.36	0	1.82	33.01
Blaine													
Bear Paw Elem	70,887	15	70,888	70,887	0.00	30.28	36.26	1	1.01	30.28	0	1.27	36.26
Chinook Elem	1,220,000	325	1,268,800	1,268,800	20.04	69.59	74.89	48,800	0.95	49.55	48,800	0.96	54.85
Chinook H S	1,090,000	208	1,133,600	1,133,600	8.50	24.89	29.56	43,600	0.92	16.39	43,600	0.95	21.06
Cleveland Elem	52,749	10	52,991	52,749	0.00	25.85	28.22	242	1.00	25.85	0	1.15	28.22
Harlem Elem	2,000,000	438	2,000,000	2,000,000	35.56	60.13	67.47	0	1.14	24.57	0	1.11	31.91
Harlem H S	1,085,320	143	1,085,320	1,085,320	5.97	27.89	26.53	0	1.20	21.92	0	1.22	20.56
Hays-Lodge Pole Elem	1,054,222	153	1,054,223	1,054,222	58.77	857.06	606.93	1	1.51	798.29	0	1.42	548.16
Hays-Lodge Pole Schools	755,346	90	755,346	755,346	35.79	34.60	35.17	0	1.15	-1.19	0	1.10	-0.62
Lloyd Elem	34,526	2	34,527	35,907	0.00	10.63	5.49	1	1.38	10.63	1,381	0.82	5.49
North Harlem Colony Elem	37,024	8	38,505	38,505	50.77	57.27	63.92	1,481	0.81	6.50	1,481	0.80	13.15
Turner Elem	340,215	65	353,825	353,824	73.38	90.99	83.25	13,610	0.99	17.61	13,609	0.89	9.87
Turner H S	304,451	35	316,629	316,629	40.29	37.90	39.79	12,178	0.85	-2.39	12,178	0.86	-0.50
Zurich Elem	207,188	67	215,476	215,476	0.00	33.86	27.89	8,288	0.85	33.86	8,288	0.76	27.89
Broadwater													
Broadwater H S	804,056	223	852,442	839,695	11.05	15.25	16.58	48,386	0.66	4.20	35,639	0.68	5.53
Townsend Elem	1,375,000	521	1,442,488	1,433,168	13.80	35.31	36.53	67,488	0.68	21.51	58,168	0.69	22.73
Carbon													

DATE: 04/12/93
TIME: 07:52:17

IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Belfry Elem	650,000	85	650,000	650,000	1.81	109.82	100.08	0	1.56	108.01	0	1.42	98.27
Belfry H S	655,200	42	655,200	655,200	0.00	120.58	113.95	0	1.62	120.58	0	1.54	113.95
Boyd Elem	36,732	10	38,202	38,201	8.60	28.12	32.35	1,470	0.72	19.52	1,469	0.82	23.75
Bridger Elem	620,131	155	644,936	644,936	18.57	56.66	52.53	24,805	0.93	38.09	24,805	0.87	33.96
Bridger H S	564,067	80	586,630	586,630	27.51	43.32	35.87	22,563	0.97	15.81	22,563	0.89	8.36
Edger Elem	107,640	17	107,640	107,640	20.30	62.03	71.32	0	1.39	41.73	0	1.84	51.02
Fromberg Elem	425,422	115	442,439	442,439	49.59	71.65	65.97	17,017	0.86	22.06	17,017	0.82	16.38
Fromberg H S	419,491	63	436,271	436,271	31.14	45.00	26.66	16,780	0.85	13.86	16,780	0.77	-4.48
Jackson Elem	56,966	12	59,245	56,966	45.11	111.52	117.79	2,279	0.99	66.41	0	1.14	72.68
Joliet Elem	684,765	221	712,156	712,156	24.03	43.28	45.91	27,391	0.75	19.25	27,391	0.74	21.88
Joliet H S	607,994	133	632,314	632,314	19.97	25.06	25.89	24,320	0.74	5.09	24,320	0.75	5.92
Luther Elem	75,062	23	78,065	78,064	8.79	44.54	41.46	3,003	0.79	35.75	3,002	0.77	32.67
Red Lodge Elem	1,157,662	414	1,203,969	1,203,968	32.33	42.98	50.59	46,307	0.71	10.65	46,306	0.71	18.26
Red Lodge H S	775,046	180	806,048	806,048	21.28	27.06	28.36	31,002	0.73	5.78	31,002	0.75	7.08
Roberts Elem	322,562	84	335,465	335,464	38.20	56.44	50.42	12,903	0.81	18.24	12,902	0.74	12.22
Roberts H S	316,347	48	329,001	329,001	19.90	25.70	21.78	12,654	0.75	5.80	12,654	0.70	1.88
Carter													
Albion Elem	33,448	7	34,786	34,786	0.00	22.06	20.72	1,338	0.82	22.06	1,338	0.78	20.72
Alzada Elem	57,676	15	59,983	57,676	0.00	6.66	7.90	2,307	0.85	6.66	0	1.03	7.90
Carter County H S	498,500	49	498,500	498,500	18.15	11.40	9.24	0	1.12	-6.75	0	1.03	-8.91
Coal Creek-Plainview Elem	44,000	11	45,760	45,760	0.00	27.06	34.72	1,760	0.81	27.06	1,760	0.96	34.72
Ekalaka Elem	454,272	100	454,272	458,102	69.91	91.45	91.25	0	1.04	21.54	3,830	1.00	21.34
Hammond-Hawks Home Elem	75,200	21	78,208	78,208	0.00	38.69	34.40	3,008	0.86	38.69	3,008	0.77	34.40
Johnston Elem	23,646	4	24,592	25,936	0.00	27.62	18.98	946	0.77	27.62	2,290	0.59	18.98
Ridge Elem	27,192	3	28,281	28,861	0.00	65.07	33.15	1,089	0.99	65.07	1,669	0.65	33.15
Cascade													
Belt Elem	811,470	236	843,929	843,929	27.40	55.35	56.06	32,459	0.84	27.95	32,459	0.81	28.66
Belt H S	640,956	102	666,595	666,594	42.31	46.20	50.80	25,639	0.92	3.89	25,638	0.93	8.49
Cascade Elem	700,875	245	728,911	728,910	34.67	35.39	39.95	28,036	0.71	0.72	28,035	0.69	5.28
Cascade H S	668,173	138	694,900	694,900	21.26	24.40	26.15	26,727	0.78	3.14	26,727	0.78	4.89
Centerville Elem	832,346	244	865,640	865,640	52.08	65.77	60.67	33,294	0.84	13.69	33,294	0.80	8.59
Centerville H S	517,676	115	539,215	538,383	27.93	19.75	22.66	21,539	0.70	-8.18	20,707	0.71	-5.27
Deep Creek Elem	41,310	2	41,310	42,962	5.60	40.33	29.19	0	1.65	34.73	1,652	0.98	23.59
Great Falls Elem	29,651,889	8,888	30,837,965	30,837,965	60.66	94.69	72.17	1,186,076	0.95	34.03	1,186,076	0.86	11.51
Great Falls H S	15,756,700	3,582	16,386,968	16,386,968	52.57	51.42	49.18	630,268	0.95	-1.15	630,268	0.91	-3.39
Simms H S	809,194	167	841,563	841,562	59.26	35.26	42.59	32,369	0.81	-24.00	32,368	0.82	-16.67
Sun River Valley Elem	1,010,993	263	1,051,433	1,051,433	62.93	120.64	113.23	40,440	0.95	57.71	40,440	0.91	50.30
Ulm Elem	382,387	128	397,683	398,527	51.24	38.58	43.48	15,296	0.73	-12.66	16,140	0.68	-7.76
Vaughn Elem	613,972	175	638,531	638,531	61.74	67.36	63.04	24,559	0.83	5.62	24,559	0.78	1.30

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Chouteau													
Big Sandy Elem	792,742	179	792,742	810,330	33.66	56.98	57.77	0	1.04	23.32	17,588	1.00	24.11
Big Sandy H S	713,979	101	714,511	713,979	25.92	40.56	41.81	532	1.00	14.64	0	1.01	15.89
Carter Elem	55,435	3	55,435	55,435	17.26	18.52	14.46	0	1.95	1.26	0	1.23	-2.80
Fort Benton Elem	1,275,450	352	1,326,468	1,326,468	61.02	79.59	82.59	51,018	0.93	18.57	51,018	0.93	21.57
Fort Benton H S	948,825	185	986,778	986,778	29.55	38.34	40.88	37,953	0.88	8.79	37,953	0.91	11.33
Geraldine Elem	588,483	112	588,483	588,483	13.60	52.48	49.43	0	1.20	38.88	0	1.12	35.83
Geraldine H S	502,850	47	502,850	502,850	18.88	43.25	39.76	0	1.17	24.37	0	1.09	20.88
Highwood Elem	580,309	88	580,309	580,309	75.57	126.53	98.73	0	1.34	50.96	0	1.21	23.16
Highwood H S	410,130	52	426,535	426,535	21.80	31.56	32.17	16,405	0.93	9.76	16,405	0.85	10.37
Knees Elem	54,080	3	54,080	54,080	10.43	18.54	17.03	0	1.68	8.11	0	1.22	6.60
Loma Elem	51,886	6	51,886	51,886	10.60	13.85	12.42	0	1.33	3.25	0	1.17	1.82
Warrick Elem	39,335	6	39,335	40,908	1.66	21.99	21.10	0	1.01	20.33	1,573	0.93	19.44
Custer													
Cottonwood Elem	88,420	14	88,420	88,420	30.09	152.05	151.34	0	1.32	121.96	0	1.67	121.25
Custer County H S	2,778,753	684	2,889,903	2,889,903	41.58	27.52	38.78	111,150	0.81	-14.06	111,150	0.85	-2.80
Hockett-Basin Spr Crk El	32,188	4	32,189	33,476	7.46	31.00	23.35	1	1.01	23.54	1,288	0.77	15.89
Kinsey Elem	140,637	46	146,263	146,262	20.92	49.68	44.08	5,626	0.80	28.76	5,625	0.73	23.16
Kircher Elem	153,921	50	160,079	160,078	0.00	26.87	22.21	6,158	0.81	26.87	6,157	0.73	22.21
Miles City Elem	4,297,114	1,333	4,468,999	4,468,999	56.59	52.58	52.71	171,885	0.83	-4.01	171,885	0.79	-3.88
Moon Creek Elem	32,000	6	33,280	33,280	0.00	20.24	17.29	1,280	0.85	20.24	1,280	0.76	17.29
S H-Foster Creek Elem	32,846	11	35,316	34,160	0.00	17.78	25.43	2,470	0.63	17.78	1,314	0.72	25.43
S Y Elem	26,500	9	29,119	28,199	0.00	21.09	24.11	2,619	0.59	21.09	1,699	0.64	24.11
Trail Creek Elem	32,144	9	33,634	33,430	16.61	34.72	39.77	1,490	0.68	18.11	1,286	0.76	23.16
Twin Buttes Elem	32,021	4	32,022	33,302	0.00	42.71	30.86	1	1.00	42.71	1,281	0.76	30.86
Whitney Creek Elem	30,000	4	31,200	31,200	0.00	66.62	37.25	1,200	0.98	66.62	1,200	0.71	37.25
Daniels													
Flaxville Elem	282,836	29	282,836	282,836	45.22	85.96	88.76	0	1.40	40.74	0	1.47	43.54
Flaxville Schools	294,925	27	306,722	299,049	6.92	38.17	46.81	11,797	0.92	31.25	4,124	1.00	39.89
Peerless Elem	367,887	42	367,887	367,887	40.66	127.64	121.77	0	1.58	86.98	0	1.42	81.11
Peerless Schools	364,495	31	364,495	364,495	36.13	73.69	83.71	0	1.02	37.56	0	1.07	47.58
Scobey Elem	978,316	234	990,971	1,017,449	61.44	81.05	88.42	12,655	1.00	19.61	39,133	0.99	26.98
Scobey Schools	787,365	108	787,365	787,365	60.00	69.27	74.73	0	1.06	9.27	0	1.09	14.73
Dawson													
Bloomfield Elem	81,120	28	84,365	84,365	1.22	18.70	21.40	3,245	0.73	17.48	3,245	0.74	20.18
Dawson County H S	2,619,850	542	2,724,644	2,687,164	35.65	32.46	39.66	104,794	0.95	-3.19	67,314	1.00	4.01
Deer Creek Elem	88,868	26	92,423	92,423	1.67	10.53	10.82	3,555	0.85	8.86	3,555	0.85	9.15
Glendive Elem	3,838,614	1,134	3,992,159	3,992,159	37.22	54.71	51.95	153,545	0.87	17.49	153,545	0.84	14.73
Lindsay Elem	75,712	8	75,712	75,712	0.00	25.04	25.53	0	1.65	25.04	0	1.73	25.53

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Richey Elem	444,454	54	444,454	444,454	63.47	118.65	109.85	0	1.51	55.18	0	1.34	46.38
Richey H S	410,155	53	426,561	426,561	24.90	42.93	32.94	16,406	0.93	18.03	16,406	0.85	8.04
Deer Lodge													
Anaconda Elem	3,910,175	1,110	4,066,582	4,066,582	34.68	61.59	58.04	156,407	0.89	26.91	156,407	0.84	23.36
Anaconda H S	2,618,508	540	2,723,248	2,723,248	25.46	42.63	59.74	104,740	0.91	17.17	104,740	0.93	34.28
Fallon													
Baker Elem	1,815,030	411	1,815,031	1,815,030	36.05	65.15	66.78	1	1.08	29.10	0	1.08	30.73
Baker H S	1,492,473	169	1,492,474	1,492,473	10.63	19.89	21.29	1	1.43	9.26	0	1.46	10.66
Fertile Prairie Elem	40,926	6	40,926	42,563	0.00	0.00	0.00	0	1.05	0.00	1,637	0.97	0.00
Plevna Elem	649,911	92	649,911	649,911	0.00	26.84	23.27	0	1.54	26.84	0	1.39	23.27
Plevna H S	512,415	39	512,415	512,415	0.00	24.66	22.77	0	1.31	24.66	0	1.28	22.77
Fergus													
Ayers Elem	33,280	8	34,611	34,611	7.59	32.20	28.61	1,331	0.75	24.61	1,331	0.72	21.02
Cottonwood Elem	28,745	5	29,895	29,995	0.00	58.21	31.45	1,150	0.84	58.21	1,250	0.69	31.45
Deerfield Elem	54,992	16	57,192	56,540	5.38	37.24	88.55	2,200	0.77	31.86	1,548	1.00	83.17
Denton Elem	480,063	146	499,266	499,266	33.60	50.24	51.19	19,203	0.81	16.64	19,203	0.77	17.59
Denton H S	373,182	65	388,109	391,033	12.54	21.87	18.29	14,927	0.74	9.33	17,851	0.68	5.75
Fergus H S	1,855,056	473	1,929,259	1,929,258	38.74	29.59	37.09	74,203	0.77	-9.15	74,202	0.82	-1.65
Grass Range Elem	358,525	92	372,866	372,866	9.04	65.19	56.25	14,341	0.91	56.15	14,341	0.86	47.21
Grass Range H S	369,795	41	384,587	384,587	57.16	61.00	57.87	14,792	0.95	3.84	14,792	0.92	0.71
King Colony Elem	31,986	5	33,266	33,265	0.00	16.55	10.26	1,280	0.94	16.55	1,279	0.76	10.26
Lewistown Elem	3,516,804	1,201	3,657,477	3,657,476	43.73	48.70	51.23	140,673	0.76	4.97	140,672	0.71	7.50
Melden Elem	37,856	7	39,370	39,370	0.00	53.43	49.51	1,514	0.93	53.43	1,514	0.90	49.51
Moore Elem	399,215	96	415,184	415,184	55.67	84.76	77.73	15,969	0.95	29.09	15,969	0.89	22.06
Moore H S	396,739	46	412,610	412,609	37.39	62.40	45.91	15,871	0.96	25.01	15,870	0.89	8.52
Roy Elem	309,173	43	309,173	309,173	73.41	141.47	133.06	0	1.55	68.06	0	1.41	59.65
Roy H S	373,506	14	373,507	373,506	25.60	114.36	113.97	1	1.39	88.76	0	1.40	88.37
Spring Creek Colony Elem	31,986	4	31,999	33,265	0.00	94.48	36.79	13	1.00	94.48	1,279	0.76	36.79
Winifred Elem	495,988	113	501,264	515,828	18.17	72.15	72.88	5,276	1.00	53.98	19,840	0.98	54.71
Winifred H S	394,116	47	409,881	409,881	29.55	51.78	40.64	15,765	0.95	22.23	15,765	0.89	11.09
Flathead													
Bigfork Elem	1,774,444	582	1,845,422	1,845,422	40.98	55.31	57.94	70,978	0.78	14.33	70,978	0.79	16.96
Bigfork H S	1,137,382	364	1,230,225	1,201,747	18.82	17.32	23.04	92,843	0.62	-1.50	64,365	0.66	4.22
Cayuse Prairie Elem	841,088	240	874,732	874,732	40.95	86.76	87.73	33,644	0.87	45.81	33,644	0.84	46.78
Columbia Falls Elem	5,165,132	1,694	5,371,737	5,371,737	35.91	49.87	50.01	206,605	0.79	13.96	206,605	0.75	14.10
Columbia Falls H S	2,925,370	779	3,042,385	3,042,385	15.35	25.95	27.28	117,015	0.76	10.60	117,015	0.81	11.93
Creston Elem	238,041	85	270,621	251,157	49.61	58.29	41.24	32,580	0.82	8.68	13,116	0.66	-8.37
Deer Park Elem	379,244	92	394,414	394,414	50.90	117.45	72.33	15,170	0.89	66.55	15,170	0.81	21.43
Evergreen Elem	2,350,699	736	2,444,728	2,444,727	56.51	55.15	56.93	94,029	0.81	-1.36	94,028	0.78	0.42

Select Committee on School Finance
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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
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Fair-Mont-Egan Elem	490,034	170	510,610	515,584	46.35	43.23	48.19	20,576	0.70	-3.12	25,550	0.66	1.84
Flathead H S	7,613,591	2,101	7,918,135	7,918,135	28.22	30.45	30.93	304,544	0.79	2.23	304,544	0.79	2.71
Helena Flats Elem	663,315	207	689,848	689,848	51.82	52.89	53.80	26,533	0.80	1.07	26,533	0.77	1.98
Kalispell Elem	8,298,957	2,520	8,630,915	8,630,915	36.49	53.48	50.28	331,958	0.85	16.99	331,958	0.79	13.79
Kila Elem	320,624	133	337,963	345,907	34.96	36.91	38.93	17,339	0.68	1.95	25,283	0.62	3.97
Marion Elem	397,923	107	413,840	413,840	46.90	67.45	56.05	15,917	0.86	20.55	15,917	0.78	9.15
Olney-Bissell Elem	336,742	104	350,212	350,212	34.22	52.07	46.09	13,470	0.77	17.85	13,470	0.70	11.87
Pleasant Valley Elem	33,318	9	34,651	34,651	23.21	36.53	42.05	1,333	0.70	13.32	1,333	0.79	18.84
Smith Valley Elem	558,109	160	580,434	580,433	49.20	74.32	55.68	22,325	0.84	25.12	22,324	0.77	6.48
Somers Elem	1,139,945	418	1,185,543	1,185,543	33.13	44.96	52.42	45,598	0.72	11.83	45,598	0.72	19.29
Swan River Elem	481,410	139	500,667	500,666	0.00	51.74	40.15	19,257	0.86	51.74	19,256	0.78	40.15
West Glacier Elem	256,743	62	256,743	267,013	4.18	28.95	31.55	0	1.02	24.77	10,270	0.95	27.37
West Valley Elem	796,511	281	828,372	828,371	44.36	44.73	52.06	31,861	0.71	0.37	31,860	0.70	7.70
Whitefish Elem	3,596,741	1,256	3,740,611	3,740,611	20.01	38.89	41.04	143,870	0.74	18.88	143,870	0.72	21.03
Whitefish H S	2,136,035	608	2,225,262	2,221,476	21.28	19.59	25.64	89,227	0.70	-1.70	85,441	0.75	4.36
Gallatin													
Amsterdam Elem	176,310	51	183,363	183,362	19.38	39.75	35.72	7,053	0.93	20.37	7,052	0.84	16.34
Anderson Elem	509,125	170	529,490	530,152	48.91	48.61	50.17	20,365	0.74	-0.30	21,027	0.69	1.26
Belgrade Elem	3,730,654	1,267	3,879,881	3,879,880	40.85	51.85	52.77	149,227	0.77	11.00	149,226	0.73	11.92
Belgrade H S	1,616,185	481	1,718,942	1,686,092	19.00	20.19	24.21	102,757	0.66	1.19	69,907	0.69	5.21
Bozeman Elem	9,800,463	3,355	10,192,482	10,192,482	34.50	49.95	47.38	392,019	0.81	15.45	392,019	0.74	12.88
Bozeman H S	5,793,711	1,415	6,025,459	6,025,459	33.84	37.98	40.63	231,748	0.87	4.14	231,748	0.88	6.79
Cottonwood Elem	34,820	5	35,498	36,213	36.47	85.14	62.35	678	1.00	48.67	1,393	0.82	25.88
Gallatin Gateway Elem	425,135	159	446,215	451,409	39.93	36.43	42.36	21,080	0.68	-3.50	26,274	0.65	2.43
La Motte Elem	151,696	54	157,764	157,980	17.38	41.46	36.55	6,068	0.76	24.08	6,284	0.69	19.17
Malmborg Elem	32,482	8	33,782	33,781	31.92	24.13	25.32	1,300	0.73	-7.79	1,299	0.75	-6.60
Manhattan Elem	1,116,178	371	1,160,826	1,160,825	41.65	49.52	55.94	44,648	0.75	7.87	44,647	0.76	14.29
Manhattan H S	767,518	198	811,430	798,219	24.12	22.94	25.23	43,912	0.68	-1.18	30,701	0.70	1.11
Monforton Elem	710,535	206	738,956	738,956	44.39	69.63	61.41	28,421	0.84	25.24	28,421	0.80	17.02
Ophir Elem	185,808	63	193,240	193,240	9.42	16.37	13.94	7,432	0.81	6.95	7,432	0.72	4.52
Pass Creek Elem	44,083	9	45,847	44,083	0.00	42.49	43.02	1,764	0.93	42.49	0	1.01	43.02
Springhill Elem	52,995	14	55,115	55,115	51.07	68.83	102.33	2,120	0.82	17.76	2,120	1.01	51.26
Three Forks Elem	831,534	278	864,795	864,795	22.27	44.02	49.22	33,261	0.75	21.75	33,261	0.75	26.95
Three Forks H S	595,472	106	619,292	619,291	22.17	35.96	35.79	23,820	0.86	13.79	23,819	0.90	13.62
West Yellowstone Elem	634,843	160	660,237	660,237	51.76	65.67	65.08	25,394	0.93	13.91	25,394	0.86	13.32
West Yellowstone Schools	595,572	77	595,572	619,395	48.00	58.49	57.00	0	1.03	10.49	23,823	0.99	9.00
Willow Creek Elem	156,923	46	163,200	165,070	20.51	36.55	34.16	6,277	0.72	16.04	8,147	0.67	13.65
Willow Creek H S	207,180	23	216,699	215,467	32.94	21.78	29.32	9,519	0.69	-11.16	8,287	0.79	-3.62
Garfield													

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Benzien Elem	28,646	5	29,792	29,916	0.00	58.82	35.64	1,146	0.84	58.82	1,270	0.68	35.64
Big Dry Creek Elem	32,501	4	32,501	33,801	0.00	34.20	25.15	0	1.02	34.20	1,300	0.77	25.15
Blackfoot Elem	26,780	4	27,851	28,423	0.00	39.69	26.24	1,071	0.87	39.69	1,643	0.65	26.24
Cohagen Elem	78,959	23	82,118	82,117	0.00	35.13	32.78	3,159	0.83	35.13	3,158	0.81	32.78
Garfield County H S	534,793	111	556,185	556,185	20.57	23.69	26.75	21,392	0.74	3.12	21,392	0.76	6.18
Jordan Elem	492,433	152	512,438	517,288	27.25	34.56	38.79	20,005	0.70	7.31	24,855	0.66	11.54
Kester Elem	39,418	4	39,418	40,995	0.00	87.74	60.05	0	1.23	87.74	1,577	0.94	60.05
Pine Grove Elem	27,088	6	28,172	28,670	9.95	45.22	34.80	1,084	0.72	35.27	1,582	0.66	24.85
Ross Elem	27,750	1	27,750	29,199	0.00	174.62	32.70	0	1.29	174.62	1,449	0.67	32.70
Sand Springs Elem	28,646	4	29,792	29,916	0.00	33.56	21.69	1,146	0.93	33.56	1,270	0.68	21.69
Van Norman Elem	55,953	19	58,277	60,324	5.87	43.64	34.19	2,324	0.69	37.77	4,371	0.62	28.32
Glacier													
Browning Elem	10,000,000	1,493	10,000,000	10,000,000	22.05	0.00	0.00	0	1.70	-22.05	0	1.60	-22.05
Browning H S	4,000,000	426	4,000,000	4,000,000	12.92	0.00	0.00	0	1.74	-12.92	0	1.87	-12.92
Cut Bank Elem	2,764,443	707	2,830,986	2,875,021	22.91	27.17	31.19	66,543	1.00	4.26	110,578	1.00	8.28
Cut Bank H S	1,875,897	299	1,875,897	1,875,897	26.34	3.71	8.81	0	1.12	-22.63	0	1.23	-17.53
East Glacier Park Elem	354,002	71	354,003	354,002	43.54	26.01	25.76	1	1.30	-17.53	0	1.17	-17.78
Mountain View Elem	75,150	24	78,156	78,156	22.93	49.21	49.93	3,006	0.77	26.28	3,006	0.76	27.00
Golden Valley													
Lavina Elem	245,039	79	257,361	262,677	36.95	37.22	44.20	12,322	0.69	0.27	17,638	0.63	7.25
Lavina H S	209,959	25	220,598	218,357	29.49	21.07	29.03	10,639	0.68	-8.42	8,398	0.77	-0.46
Ryegate Elem	298,667	58	298,667	310,614	29.68	46.29	46.28	0	1.09	16.61	11,947	0.99	16.60
Ryegate H S	303,636	27	315,782	303,636	35.67	44.71	46.36	12,146	0.95	9.04	0	1.03	10.69
Granite													
Drummond Elem	483,324	131	502,657	502,657	17.27	47.31	44.83	19,333	0.84	30.04	19,333	0.79	27.56
Drummond H S	502,275	103	522,366	522,366	3.78	13.04	14.79	20,091	0.74	9.26	20,091	0.77	11.01
Granite H S	521,306	73	542,158	542,158	25.65	43.29	29.69	20,852	0.94	17.64	20,852	0.84	4.04
Hall Elem	120,570	16	120,570	120,570	8.14	47.82	53.75	0	1.63	39.68	0	2.13	45.61
Philipsburg Elem	686,093	210	713,538	713,537	36.78	37.90	42.07	27,445	0.78	1.12	27,444	0.75	5.29
Hill													
Blue Sky Elem	516,924	144	537,601	537,601	26.60	57.68	53.97	20,677	0.89	31.08	20,677	0.83	27.37
Blue Sky H S	474,274	37	474,274	474,274	45.22	58.80	58.69	0	1.24	13.58	0	1.23	13.47
Box Elder Elem	947,853	162	947,853	947,853	49.05	61.44	70.58	0	1.37	12.39	0	1.26	21.53
Box Elder H S	611,586	62	611,586	611,586	35.31	36.11	38.93	0	1.22	0.80	0	1.11	3.62
Cottonwood Elem	250,000	32	250,000	250,000	9.92	31.52	33.92	0	1.78	21.60	0	1.84	24.00
Davey Elem	46,020	13	47,861	47,861	0.00	0.00	0.00	1,841	0.72	0.00	1,841	0.82	0.00
Gildford Colony Elem	40,822	9	42,455	42,455	35.04	52.01	77.55	1,633	0.82	16.97	1,633	0.88	42.51
Havre Elem	5,716,273	1,794	5,944,924	5,944,924	30.76	56.84	49.72	228,651	0.85	26.08	228,651	0.80	18.96
Havre H S	2,888,128	799	3,003,653	3,003,653	1.00	15.77	17.74	115,525	0.73	14.77	115,525	0.76	16.74

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
K-G Elem	429,660	95	429,660	446,846	24.44	71.64	68.80	0	1.01	47.20	17,186	0.97	44.36
K-G H S	413,746	34	413,746	413,746	46.41	55.87	58.03	0	1.13	9.46	0	1.15	11.62
Rocky Boy Elem	1,826,585	371	1,826,585	1,826,585	41.45	15.07	16.82	0	1.22	-26.38	0	1.19	-24.63
Rocky Boy H S	823,975	91	823,975	823,975	32.18	0.00	0.00	0	1.24	-32.18	0	1.20	-32.18
Jefferson													
Basin Elem	62,020	17	64,501	62,020	0.00	0.00	0.00	2,481	0.83	0.00	0	1.05	0.00
Boulder Elem	861,788	233	896,260	896,260	74.53	77.72	76.51	34,472	0.89	3.19	34,472	0.84	1.98
Cardwell Elem	150,106	50	156,110	156,110	3.89	14.40	12.48	6,004	0.79	10.51	6,004	0.70	8.59
Clancy Elem	1,218,542	400	1,267,284	1,267,284	42.35	53.90	61.63	48,742	0.79	11.55	48,742	0.79	19.28
Jefferson H S	1,035,212	252	1,076,621	1,076,620	15.79	24.18	26.98	41,409	0.74	8.39	41,408	0.79	11.19
Montana City Elem	819,285	242	852,057	852,056	104.05	75.07	85.17	32,772	0.87	-28.98	32,771	0.86	-18.88
Whitehall Elem	1,085,272	385	1,128,684	1,128,683	26.91	43.03	48.88	43,412	0.72	16.12	43,411	0.74	21.97
Whitehall H S	761,493	171	791,954	791,953	5.38	21.70	21.84	30,461	0.75	16.32	30,460	0.77	16.46
Judith Basin													
Geyser Elem	305,652	76	317,878	317,878	33.46	55.48	49.00	12,226	0.85	22.02	12,226	0.77	15.54
Geyser H S	285,954	33	297,393	297,392	21.93	28.52	31.31	11,439	0.82	6.59	11,438	0.83	9.38
Hobson Elem	409,190	102	425,558	425,558	39.70	61.40	58.83	16,368	0.89	21.70	16,368	0.84	19.13
Hobson Schools	408,883	45	422,600	425,238	39.70	56.86	49.00	13,717	1.00	17.16	16,355	0.94	9.30
Raynesford Elem	83,385	14	83,385	83,385	18.41	77.49	87.12	0	1.23	59.08	0	1.45	68.71
Stanford Elem	463,376	119	481,911	481,911	14.56	63.48	57.27	18,535	0.93	48.92	18,535	0.87	42.71
Stanford H S	412,410	64	428,907	428,906	18.77	34.33	26.47	16,497	0.84	15.56	16,496	0.76	7.70
Lake													
Arlee Elem	1,142,702	287	1,188,410	1,188,410	40.90	65.89	64.99	45,708	0.99	24.99	45,708	0.96	24.09
Arlee H S	833,728	137	867,077	867,077	19.61	20.98	18.80	33,349	0.98	1.37	33,349	0.98	-0.81
Charlo Elem	712,401	196	740,897	740,897	26.51	104.89	78.96	28,496	0.91	78.38	28,496	0.86	52.45
Charlo H S	491,401	98	511,057	511,057	32.08	25.00	27.26	19,656	0.74	-7.08	19,656	0.75	-4.82
Polson Elem	3,137,865	1,089	3,263,380	3,263,380	29.05	45.09	47.45	125,515	0.75	16.04	125,515	0.73	18.40
Polson H S	1,688,161	459	1,755,688	1,755,687	15.52	23.58	26.66	67,527	0.71	8.06	67,526	0.76	11.14
Ronan Elem	3,978,816	1,144	4,137,969	4,137,969	19.62	33.55	34.99	159,153	0.91	13.93	159,153	0.88	15.37
Ronan H S	1,888,203	420	1,963,731	1,963,731	12.36	18.92	17.25	75,528	0.87	6.56	75,528	0.93	4.89
St Ignatius Elem	1,590,357	409	1,653,971	1,653,971	11.83	18.04	28.87	63,614	1.00	6.21	63,614	0.98	17.04
St Ignatius Schools	1,187,747	181	1,187,748	1,187,747	21.12	21.30	12.40	1	1.08	0.18	0	1.10	-8.72
Swan Lake-Salmon Elem	65,294	21	67,906	68,267	21.64	39.97	35.45	2,612	0.74	18.33	2,973	0.68	13.81
Upper West Shore Elem	62,000	25	66,470	66,261	0.00	7.72	7.62	4,470	0.63	7.72	4,261	0.64	7.62
Valley View Elem	55,263	20	58,285	59,955	0.00	38.33	30.98	3,022	0.66	38.33	4,692	0.61	30.98
Lewis & Clark													
Auchard Creek Elem	48,228	21	53,216	54,641	0.00	14.34	15.02	4,988	0.58	14.34	6,413	0.54	15.02
Augusta Elem	421,447	96	421,448	438,305	53.61	92.37	85.05	1	1.03	38.76	16,858	0.97	31.44
Augusta H S	351,491	46	365,552	365,551	23.44	23.35	24.49	14,061	0.83	-0.09	14,060	0.78	1.05

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Craig Elem	39,707	6	39,707	41,295	11.89	15.16	14.74	0	1.02	3.27	1,588	0.93	2.85
East Helena Elem	2,935,797	1,043	3,053,229	3,053,229	40.38	53.38	57.04	117,432	0.76	13.00	117,432	0.75	16.66
Helena Elem	17,133,670	5,298	17,819,017	17,819,017	75.72	87.80	67.41	685,347	0.90	12.08	685,347	0.81	-8.31
Helena H S	11,354,905	2,644	11,809,101	11,809,101	53.98	50.51	50.35	454,196	0.92	-3.47	454,196	0.89	-3.63
Kessler Elem	791,164	300	822,811	822,811	30.05	47.74	49.86	31,647	0.76	17.69	31,647	0.74	19.81
Lincoln Elem	506,250	164	526,501	526,500	39.10	44.08	45.37	20,251	0.74	4.98	20,250	0.69	6.27
Lincoln H S	330,944	51	344,183	344,182	32.56	30.15	25.40	13,239	0.77	-2.41	13,238	0.70	-7.16
Trinity Elem	50,686	8	50,686	50,686	0.00	8.67	9.05	0	1.10	8.67	0	1.13	9.05
Wolf Creek Elem	49,314	15	51,287	51,287	8.64	3.42	6.65	1,973	0.73	-5.22	1,973	0.93	-1.99
Liberty													
Chester Elem	809,317	229	841,690	841,690	4.74	38.26	36.84	32,373	0.89	33.52	32,373	0.84	32.10
Chester H S	697,977	100	697,978	697,977	14.35	25.60	26.95	1	1.02	11.25	0	1.07	12.60
J-I Elem	686,197	107	686,197	686,197	31.13	81.44	79.35	0	1.36	50.31	0	1.28	48.22
J-I H S	523,848	47	523,848	523,848	43.33	62.18	57.47	0	1.21	18.85	0	1.11	14.14
Liberty Elem	35,923	59	64,604	68,219	36.23	0.00	0.00	28,681	0.29	-36.23	32,296	0.28	-36.23
Whitlash Elem	36,915	7	38,392	38,392	0.00	7.89	5.83	1,477	0.85	7.89	1,477	0.77	5.83
Lincoln													
Eureka Elem	1,724,305	528	1,793,277	1,793,277	29.87	52.00	56.13	68,972	0.81	22.13	68,972	0.80	26.26
Fortine Elem	234,804	85	244,197	244,196	8.80	39.35	36.74	9,393	0.76	30.55	9,392	0.71	27.94
Libby Elem	4,977,162	1,485	5,176,248	5,176,248	57.71	51.14	48.54	199,086	0.88	-6.57	199,086	0.84	-9.17
Libby Schools	2,822,838	617	2,935,752	2,935,752	39.59	29.44	43.25	112,914	0.91	-10.15	112,914	0.97	3.66
Lincoln County H S	1,132,370	305	1,182,834	1,177,665	14.84	21.91	26.94	50,464	0.69	7.07	45,295	0.75	12.10
McCormick Elem	60,000	21	62,633	63,928	0.00	22.66	22.93	2,633	0.68	22.66	3,928	0.64	22.93
Sylvanite Elem	52,320	15	54,413	54,113	36.81	54.02	92.42	2,093	0.77	17.21	1,793	0.99	55.61
Trego Elem	208,056	86	217,368	222,337	14.18	29.55	29.31	9,312	0.68	15.37	14,281	0.64	15.13
Troy Elem	1,605,348	466	1,669,562	1,669,562	44.95	53.97	54.45	64,214	0.84	9.02	64,214	0.82	9.50
Troy H S	1,021,477	236	1,062,337	1,062,336	25.78	27.87	29.68	40,860	0.77	2.09	40,859	0.82	3.90
Yaak Elem	65,982	24	69,097	69,263	21.81	34.83	37.65	3,115	0.68	13.02	3,281	0.67	15.84
Madison													
Alder Elem	80,470	24	83,689	83,689	18.75	48.74	47.49	3,219	0.82	29.99	3,219	0.78	28.74
Ennis Elem	880,276	260	915,487	915,487	20.07	34.17	34.08	35,211	0.85	14.10	35,211	0.85	14.01
Ennis H S	670,602	97	682,666	671,500	13.29	28.88	28.25	12,064	1.00	15.59	898	1.00	14.96
Harrison Elem	290,000	95	301,600	304,034	16.75	39.39	40.11	11,600	0.71	22.64	14,034	0.67	23.36
Harrison H S	285,804	44	297,237	299,937	19.38	22.23	20.90	11,433	0.71	2.85	14,133	0.67	1.52
Sheridan Elem	546,432	198	570,598	572,469	0.38	30.75	32.15	24,166	0.69	30.37	26,037	0.68	31.77
Sheridan H S	504,643	93	524,829	524,829	14.08	26.57	24.73	20,186	0.79	12.49	20,186	0.78	10.65
Twin Bridges Elem	597,000	145	620,880	620,880	24.33	68.08	61.54	23,880	0.97	43.75	23,880	0.89	37.21
Twin Bridges H S	545,000	80	566,800	566,800	23.16	46.21	38.93	21,800	0.95	23.05	21,800	0.90	15.77
McCone													

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($40 MILLION REDUCTION)

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Circle Elem	833,464	204	866,803	866,803	9.10	48.45	48.03	33,339	0.94	39.35	33,339	0.90	38.93
Circle H S	726,408	129	755,464	755,464	11.26	27.17	26.59	29,056	0.89	15.91	29,056	0.89	15.33
Prairie Elk Elem	29,120	5	30,285	30,322	0.00	14.78	10.70	1,165	0.85	14.78	1,202	0.69	10.70
Southview Elem	36,260	7	37,711	37,710	15.13	30.45	29.30	1,451	0.89	15.32	1,450	0.85	14.17
Vida Elem	85,292	19	85,292	88,704	5.85	15.13	14.09	0	1.01	9.28	3,412	0.89	8.24
Meagher													
Lennep Elem	32,666	14	36,850	34,594	1.68	4.00	5.38	4,184	0.55	2.32	1,928	0.65	3.70
Ringling Elem	37,317	5	37,317	38,810	7.35	13.43	12.19	0	1.05	6.08	1,493	0.89	4.84
White Sulphur Spgs Elem	755,144	187	785,350	785,350	61.57	85.76	85.87	30,206	0.99	24.19	30,206	0.95	24.30
White Sulphur Spgs H S	602,576	99	626,679	626,679	20.56	36.40	37.33	24,103	0.91	15.84	24,103	0.94	16.77
Mineral													
Alberton Elem	590,595	155	614,219	614,219	73.79	85.48	75.80	23,624	0.90	11.69	23,624	0.85	2.01
Alberton H S	446,917	70	464,794	464,794	64.02	46.10	29.95	17,877	0.86	-17.92	17,877	0.79	-34.07
St Regis Elem	577,506	162	600,606	600,606	54.86	51.42	51.41	23,100	0.86	-3.44	23,100	0.79	-3.45
St Regis H S	454,766	71	472,957	472,957	47.40	29.58	26.41	18,191	0.86	-17.82	18,191	0.79	-20.99
Superior Elem	1,102,641	336	1,146,747	1,146,747	83.72	54.53	66.36	44,106	0.82	-29.19	44,106	0.80	-17.36
Superior H S	653,395	136	679,532	679,531	40.18	30.77	33.00	26,137	0.79	-9.41	26,136	0.80	-7.18
Missoula													
Bonner Elem	1,462,873	429	1,521,388	1,521,388	64.73	69.62	83.82	58,515	0.86	4.89	58,515	0.88	19.09
Clinton Elem	827,999	255	861,119	861,119	67.10	56.24	61.05	33,120	0.80	-10.86	33,120	0.76	-6.05
DeSmet Elem	425,040	138	442,042	442,042	43.85	52.16	56.58	17,002	0.75	8.31	17,002	0.72	12.73
Frenchtown Elem	1,946,347	652	2,024,201	2,024,201	16.55	42.42	42.76	77,854	0.78	25.87	77,854	0.78	26.21
Frenchtown H S	1,408,094	289	1,464,418	1,464,418	23.39	32.89	37.24	56,324	0.91	9.50	56,324	1.00	13.85
Hellgate Elem	2,741,449	993	2,851,107	2,851,107	41.87	46.39	49.79	109,658	0.73	4.52	109,658	0.71	7.92
Lolo Elem	2,003,765	629	2,083,916	2,083,916	61.61	77.09	87.63	80,151	0.84	15.48	80,151	0.83	26.02
Missoula Elem	19,595,900	6,002	20,379,736	20,379,736	65.78	85.04	67.32	783,836	0.91	19.26	783,836	0.81	1.54
Missoula H S	15,368,799	3,600	15,983,551	15,983,551	42.81	46.60	43.80	614,752	0.91	3.79	614,752	0.87	0.99
Potomac Elem	421,910	111	438,787	438,786	38.33	107.16	81.51	16,877	0.91	68.83	16,876	0.85	43.18
Seeley Lake Elem	666,897	230	693,573	693,573	39.62	47.90	51.98	26,676	0.75	8.28	26,676	0.73	12.36
Sunset Elem	44,882	14	47,990	46,677	32.52	23.77	45.75	3,108	0.67	-8.75	1,795	0.86	13.23
Swan Valley Elem	325,923	78	338,960	338,960	0.00	97.99	70.42	13,037	0.99	97.99	13,037	0.89	70.42
Target Range Elem	1,540,852	512	1,602,487	1,602,486	39.84	48.75	53.27	61,635	0.75	8.91	61,634	0.75	13.43
Woodman Elem	320,794	68	333,626	333,626	0.00	114.14	78.89	12,832	0.99	114.14	12,832	0.89	78.89
Musselshell													
Melstone Elem	322,590	65	335,494	335,494	0.00	66.98	44.00	12,904	0.94	66.98	12,904	0.82	44.00
Melstone H S	387,957	42	403,476	403,475	0.00	101.14	83.97	15,519	1.00	101.14	15,518	0.96	83.97
Musselshell Elem	96,709	20	96,709	99,771	0.00	17.91	18.90	0	1.07	17.91	3,062	1.00	18.90
Roundup Elem	1,469,267	436	1,528,038	1,528,038	42.50	62.10	62.02	58,771	0.84	19.60	58,771	0.81	19.52
Roundup H S	864,133	226	912,938	903,179	21.60	16.39	19.27	48,805	0.68	-5.21	39,046	0.68	-2.33

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Park													
Arrowhead Elem	163,792	53	170,344	170,344	8.02	34.01	29.44	6,552	0.84	25.99	6,552	0.76	21.42
Cooke City Elem	32,034	9	33,546	33,315	9.81	18.39	21.04	1,512	0.68	8.58	1,281	0.76	11.23
Gardiner Elem	699,620	198	727,605	727,605	36.05	47.17	55.99	27,985	0.85	11.12	27,985	0.82	19.94
Gardiner H S	650,827	83	650,827	650,827	22.00	20.36	20.12	0	1.06	-1.64	0	1.03	-1.88
Livingston Elem	3,530,717	1,075	3,671,946	3,671,946	53.70	56.37	57.19	141,229	0.84	2.67	141,229	0.79	3.49
Park H S	2,092,365	519	2,176,060	2,176,060	28.50	24.03	31.58	83,695	0.77	-4.47	83,695	0.82	3.08
Pine Creek Elem	62,745	26	67,626	67,147	3.83	29.93	32.08	4,881	0.62	26.10	4,402	0.63	28.25
Richland Elem	48,592	11	50,536	48,592	0.00	17.26	19.09	1,944	0.89	17.26	0	1.01	19.09
Shields Valley Elem	721,619	222	750,484	750,484	0.00	43.56	45.19	28,865	0.81	43.56	28,865	0.78	45.19
Shields Valley H S	600,921	97	624,958	624,958	22.20	40.99	42.95	24,037	0.91	18.79	24,037	0.92	20.75
Springdale Elem	35,465	10	36,884	36,884	11.85	9.74	11.55	1,419	0.70	-2.11	1,419	0.81	-0.30
Petroleum													
Winnett Elem	359,019	65	359,020	360,794	45.80	80.02	68.12	1	1.11	34.22	1,775	1.00	22.32
Winnett Schools	372,627	30	372,628	372,627	15.75	57.39	70.10	1	1.04	41.64	0	1.14	54.35
Phillips													
Dodson Elem	484,937	90	484,938	484,937	16.96	84.69	71.73	1	1.14	67.73	0	1.02	54.77
Dodson H S	483,336	49	483,336	483,336	23.00	48.11	41.75	0	1.10	25.11	0	1.02	18.75
Landusky Elem	33,315	9	34,648	34,648	3.00	4.76	5.54	1,333	0.70	1.76	1,333	0.79	2.54
Malta Elem	1,607,805	461	1,672,117	1,672,117	41.69	64.08	68.87	64,312	0.88	22.39	64,312	0.89	27.18
Malta H S	1,049,894	230	1,091,890	1,091,890	16.81	28.56	33.97	41,996	0.81	11.75	41,996	0.85	17.16
Saco Elem	551,185	95	551,185	551,185	18.99	41.19	39.88	0	1.23	22.20	0	1.14	20.89
Saco H S	537,638	44	537,638	537,638	18.97	48.98	45.68	0	1.30	30.01	0	1.23	26.71
Second Creek Elem	35,864	6	37,299	37,299	2.72	20.98	17.65	1,435	0.90	18.26	1,435	0.76	14.93
Whitewater Elem	446,224	55	446,224	446,224	28.44	31.86	28.33	0	1.51	3.42	0	1.36	-0.11
Whitewater H S	415,489	37	415,489	415,489	13.20	13.96	13.05	0	1.08	0.76	0	1.06	-0.15
Pondera													
Brady Elem	385,937	61	385,937	385,937	49.63	70.05	65.49	0	1.17	20.42	0	1.03	15.86
Brady H S	280,433	36	291,651	291,650	17.98	30.78	28.54	11,218	0.78	12.80	11,217	0.78	10.56
Conrad Elem	1,983,000	578	2,062,320	2,062,320	40.23	56.38	59.72	79,320	0.89	16.15	79,320	0.86	19.49
Conrad H S	1,222,314	247	1,271,207	1,271,207	29.41	32.42	40.17	48,893	0.89	3.01	48,893	0.93	10.76
Dupuyer Elem	101,230	27	105,279	105,279	42.08	69.42	71.84	4,049	0.92	27.34	4,049	0.94	29.76
Heart Butte Elem	1,074,773	196	1,074,773	1,074,773	35.08	28.98	32.45	0	1.29	-6.10	0	1.25	-2.63
Heart Butte H S	690,096	50	690,096	690,096	35.69	500.52	7.58	0	1.55	464.83	0	1.43	-28.11
Miami Elem	74,635	21	77,621	77,620	5.30	52.69	41.97	2,986	0.84	47.39	2,985	0.76	36.67
Valier Elem	668,576	206	695,319	695,319	32.84	47.88	50.83	26,743	0.78	15.04	26,743	0.76	17.99
Valier H S	495,725	79	515,554	515,554	32.92	43.79	35.80	19,829	0.88	10.87	19,829	0.83	2.88
Powder River													
Belle Creek Elem	122,000	10	122,000	122,000	0.00	8.04	10.00	0	2.30	8.04	0	2.64	10.00

Select Committee on School Finance
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HB-667

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IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Biddle Elem	75,003	20	78,003	78,003	1.69	60.54	45.23	3,000	0.89	58.85	3,000	0.78	43.54
Billup Elem	33,280	5	34,611	34,611	0.00	63.24	42.80	1,331	0.98	63.24	1,331	0.79	42.80
Broadus Elem	915,098	210	917,698	951,702	73.20	85.07	93.97	2,600	1.00	11.87	36,604	0.97	20.77
Horken Creek Elem	30,160	6	31,366	31,366	0.00	47.02	35.85	1,206	0.80	47.02	1,206	0.71	35.85
Powder River Co Dist H S	1,075,325	136	1,075,326	1,075,325	39.97	56.77	58.61	1	1.23	16.80	0	1.25	18.64
South Stacey Elem	32,263	8	33,554	33,554	0.00	33.97	40.38	1,291	0.73	33.97	1,291	0.76	40.38
Powell													
Avon Elem	88,054	46	99,050	101,554	10.39	13.65	10.29	10,996	0.55	3.26	13,500	0.52	-0.10
Deer Lodge Elem	2,386,768	658	2,482,239	2,482,239	81.11	72.89	80.23	95,471	0.92	-8.22	95,471	0.89	-0.88
Elliston Elem	76,542	35	83,695	80,124	24.10	28.52	40.51	7,153	0.60	4.42	3,582	0.67	16.41
Garrison Elem	54,841	16	57,035	57,035	0.00	4.56	10.92	2,194	0.77	4.56	2,194	0.99	10.92
Gold Creek Elem	43,590	11	45,334	45,334	0.00	4.35	1.78	1,744	0.80	4.35	1,744	0.95	1.78
Helmville Elem	72,644	23	75,550	75,550	10.53	32.93	30.74	2,906	0.77	22.40	2,906	0.74	20.21
Ovando Elem	74,669	21	77,656	77,656	18.93	52.04	46.45	2,987	0.85	33.11	2,987	0.76	27.52
Powell County H S	1,455,088	298	1,513,292	1,513,292	36.60	34.18	40.57	58,204	0.90	-2.42	58,204	0.95	3.97
Prairie													
Terry Elem	659,349	170	685,724	685,723	6.99	53.33	52.14	26,375	0.94	46.34	26,374	0.90	45.15
Terry H S	561,568	92	584,031	584,031	12.34	33.08	31.36	22,463	0.89	20.74	22,463	0.87	19.02
Ravalli													
Corvallis Elem	2,190,577	730	2,278,201	2,278,200	42.13	47.53	51.09	87,624	0.76	5.40	87,623	0.74	8.96
Corvallis Schools	1,098,389	337	1,180,477	1,153,075	15.92	17.90	23.13	82,088	0.64	1.98	54,686	0.67	7.21
Darby Elem	1,231,124	397	1,280,369	1,280,369	42.97	45.15	50.86	49,245	0.75	2.18	49,245	0.73	7.89
Darby Schools	733,465	188	770,275	762,804	17.14	21.00	23.92	36,810	0.68	3.86	29,339	0.70	6.78
Florence-Carlton Elem	1,444,576	533	1,502,359	1,502,359	31.74	45.94	51.81	57,783	0.73	14.20	57,783	0.73	20.07
Florence-Carlton Schools	834,116	196	873,299	867,481	20.22	20.85	23.47	39,183	0.71	0.63	33,365	0.71	3.25
Hamilton Elem	2,690,097	947	2,797,701	2,797,701	30.25	28.81	30.71	107,604	0.75	-1.44	107,604	0.73	0.46
Hamilton Schools	1,588,964	460	1,672,965	1,652,523	18.72	12.58	15.80	84,001	0.68	-6.14	63,559	0.72	-2.92
Lone Rock Elem	507,457	166	527,755	527,755	33.76	59.65	55.58	20,298	0.84	25.89	20,298	0.79	21.82
Stevensville Elem	2,338,408	824	2,431,944	2,431,944	26.60	39.93	44.47	93,536	0.73	13.33	93,536	0.72	17.87
Stevensville H S	1,435,482	410	1,518,609	1,492,901	10.45	15.31	19.07	83,127	0.67	4.86	57,419	0.70	8.62
Victor Elem	610,039	205	634,441	634,441	35.78	44.10	50.44	24,402	0.75	8.32	24,402	0.72	14.66
Victor Schools	476,836	86	495,909	495,909	12.89	26.60	20.04	19,073	0.78	13.71	19,073	0.74	7.15
Richland													
Brorson Elem	75,420	8	75,420	75,420	0.00	16.65	17.31	0	1.64	16.65	0	1.68	17.31
Fairview Elem	914,987	184	914,987	914,987	12.00	54.01	50.60	0	1.17	42.01	0	1.09	38.60
Fairview H S	1,100,582	155	1,100,582	1,100,582	0.00	35.75	37.60	0	1.13	35.75	0	1.13	37.60
Lambert Elem	540,205	82	540,205	540,205	51.87	100.34	93.78	0	1.41	48.47	0	1.26	41.91
Lambert H S	480,152	43	480,152	480,152	49.49	89.76	81.67	0	1.17	40.27	0	1.11	32.18
Rau Elem	230,576	57	230,576	239,799	3.58	62.21	56.56	0	1.06	58.63	9,223	0.97	52.98

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Savage Elem	436,948	137	454,426	454,426	10.61	36.77	35.38	17,478	0.76	26.16	17,478	0.72	24.77
Savage H S	384,566	34	384,567	384,566	41.17	60.60	62.37	1	1.05	19.43	0	1.07	21.20
Sidney Elem	3,923,730	1,071	4,080,679	4,080,679	30.80	69.66	70.01	156,949	0.95	38.86	156,949	0.92	39.21
Sidney H S	2,343,614	516	2,437,359	2,473,359	18.75	26.83	38.61	93,745	0.89	8.08	129,745	0.97	19.86
Roosevelt													
Bainville Elem	533,804	81	533,804	533,804	0.00	18.81	13.07	0	1.38	18.81	0	1.26	13.07
Bainville Schools	487,215	33	487,215	487,215	0.00	18.40	21.21	0	1.34	18.40	0	1.37	21.21
Brockton Elem	656,301	84	656,301	656,301	53.26	52.93	45.81	0	1.62	-0.33	0	1.42	-7.45
Brockton H S	626,594	50	626,594	626,594	39.53	24.47	24.87	0	1.39	-15.06	0	1.27	-14.66
Culbertson Elem	909,404	228	918,161	945,780	30.90	61.22	65.46	8,757	1.00	30.32	36,376	1.00	34.56
Culbertson H S	591,064	102	614,707	614,707	25.84	28.68	34.02	23,643	0.87	2.84	23,643	0.90	8.18
Froid Elem	420,788	89	420,788	437,620	47.61	75.76	81.26	0	1.02	28.15	16,832	1.00	33.65
Froid H S	373,855	39	388,809	388,809	23.76	53.57	45.63	14,954	0.98	29.81	14,954	0.93	21.87
Frontier Elem	581,316	140	604,569	604,569	0.00	53.94	47.32	23,253	1.00	53.94	23,253	0.93	47.32
Poplar Elem	3,952,000	683	3,952,000	3,952,000	0.00	146.13	144.99	0	1.45	146.13	0	1.35	144.99
Poplar H S	2,400,000	196	2,400,000	2,400,000	25.96	98.29	101.02	0	2.09	72.33	0	2.19	75.06
Wolf Point Elem	2,741,798	735	2,851,470	2,851,470	10.86	35.15	36.92	109,672	0.97	24.29	109,672	0.93	26.06
Wolf Point H S	1,571,998	320	1,634,879	1,611,554	0.00	32.12	48.80	62,881	0.91	32.12	39,556	1.00	48.80
Rosebud													
Ashland Elem	475,500	121	494,520	494,520	33.91	43.63	53.98	19,020	0.91	9.72	19,020	0.82	20.07
Birney Elem	66,000	17	68,640	66,000	18.93	49.55	69.82	2,640	0.89	30.62	0	1.10	50.89
Colstrip Elem	4,796,868	882	4,796,868	4,796,868	3.09	8.76	8.74	0	1.34	5.67	0	1.31	5.65
Colstrip H S	3,164,049	505	3,164,049	3,164,049	2.50	4.76	5.21	0	1.19	2.26	0	1.28	2.71
Forsyth Elem	1,620,434	448	1,685,251	1,685,251	40.47	56.87	65.75	64,817	0.89	16.40	64,817	0.90	25.28
Forsyth H S	984,610	237	1,023,994	1,023,994	0.00	13.41	15.80	39,384	0.74	13.41	39,384	0.78	15.80
Lame Deer Elem	2,132,557	350	2,132,558	2,132,557	45.44	35.26	35.76	1	1.55	-10.18	0	1.51	-9.68
Rock Spring Elem	32,055	4	32,055	33,337	0.00	18.91	13.67	0	1.00	18.91	1,282	0.76	13.67
Rosebud Elem	364,442	83	379,020	379,020	43.75	76.56	69.46	14,578	0.96	32.81	14,578	0.89	25.71
Rosebud H S	300,886	31	312,922	312,921	24.91	34.78	40.09	12,036	0.89	9.87	12,035	0.94	15.18
Sanders													
Camas Prairie Elem	48,852	11	50,806	48,852	0.00	14.64	9.17	1,954	0.90	14.64	0	1.03	9.17
Dixon Elem	347,000	53	347,000	347,000	72.70	0.00	0.00	0	1.65	-72.70	0	1.52	-72.70
Hot Springs Elem	527,730	139	548,839	548,839	48.75	92.29	76.75	21,109	0.92	43.54	21,109	0.87	28.00
Hot Springs H S	461,138	70	479,584	479,584	20.18	40.61	28.00	18,446	0.87	20.43	18,446	0.80	7.82
Noxon Elem	680,936	199	708,174	708,173	33.27	47.76	47.10	27,238	0.84	14.49	27,237	0.82	13.83
Noxon H S	521,217	101	542,066	542,066	11.20	20.34	21.25	20,849	0.78	9.14	20,849	0.81	10.05
Paradise Elem	157,444	68	166,843	170,957	52.43	37.32	43.35	9,399	0.65	-15.11	13,513	0.61	-9.08
Plains Elem	1,002,224	331	1,042,313	1,042,313	35.82	38.97	45.12	40,089	0.75	3.15	40,089	0.75	9.30
Plains H S	810,522	189	842,943	842,943	30.04	22.92	26.57	32,421	0.74	-7.12	32,421	0.77	-3.47

DATE: 04/12/93
TIME: 07:54:21

IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Thompson Falls Elem	1,209,208	394	1,257,576	1,257,576	45.07	52.11	59.37	48,368	0.77	7.04	48,368	0.77	14.30
Thompson Falls H S	833,886	219	874,695	867,241	23.82	22.63	26.39	40,809	0.68	-1.19	33,355	0.71	2.57
Trout Creek Elem	396,557	99	396,558	406,163	21.58	36.44	35.30	1	1.09	14.86	9,606	1.00	13.72
Sheridan													
Hiawatha Elem	124,925	12	124,925	124,925	0.00	0.00	0.00	0	2.08	0.00	0	2.52	0.00
Medicine Lake Elem	820,743	143	820,744	820,743	9.71	83.00	79.12	1	1.28	73.29	0	1.20	69.41
Medicine Lake H S	634,612	81	634,613	634,612	10.38	30.34	28.01	1	1.05	19.96	0	1.01	17.63
Outlook Elem	382,324	42	382,324	382,324	26.45	87.55	82.69	0	1.58	61.10	0	1.45	56.24
Outlook H S	325,883	22	325,883	325,883	32.99	56.98	71.94	0	1.06	23.99	0	1.22	38.95
Plentywood Elem	1,202,083	385	1,250,166	1,250,166	41.39	44.40	52.16	48,083	0.79	3.01	48,083	0.80	10.77
Plentywood H S	1,020,517	155	1,020,518	1,020,517	55.99	62.37	64.56	1	1.05	6.38	0	1.06	8.57
Westby Elem	667,322	75	667,322	667,322	15.95	46.44	37.13	0	1.82	30.49	0	1.63	21.18
Westby H S	634,459	31	634,459	634,459	14.22	48.80	52.07	0	1.78	34.58	0	1.84	37.85
Silver Bow													
Butte Elem	15,048,630	3,710	15,048,630	15,650,575	114.06	122.33	121.53	0	1.04	8.27	601,945	0.97	7.47
Butte H S	8,225,248	1,610	8,225,248	8,552,663	64.38	56.41	64.67	0	1.00	-7.97	327,415	1.00	0.29
Divide Elem	50,094	13	52,098	52,007	47.60	52.52	62.67	2,004	0.82	4.92	1,913	1.00	15.07
Melrose Elem	80,757	18	80,969	83,987	57.28	90.74	59.88	212	1.00	33.46	3,230	0.87	2.60
Ramsay Elem	508,012	158	528,332	528,332	24.23	41.42	38.64	20,320	0.80	17.19	20,320	0.75	14.41
Stillwater													
Absarokee Elem	935,108	273	972,512	972,512	27.52	57.22	56.32	37,404	0.85	29.70	37,404	0.84	28.80
Absarokee H S	626,892	130	651,968	651,968	14.63	24.77	24.30	25,076	0.76	10.14	25,076	0.76	9.67
Columbus Elem	1,253,165	413	1,303,292	1,303,292	44.54	47.92	54.22	50,127	0.77	3.38	50,127	0.76	9.68
Columbus H S	711,168	164	740,137	739,615	22.69	21.36	23.21	28,969	0.71	-1.33	28,447	0.71	0.52
Fishtail Elem	92,565	36	97,072	96,268	6.82	12.10	16.35	4,507	0.67	5.28	3,703	0.80	9.53
Molt Elem	67,881	10	67,881	67,881	15.52	28.50	31.86	0	1.28	12.98	0	1.43	16.34
Nye Elem	32,062	2	32,062	33,344	9.30	23.47	15.84	0	1.28	14.17	1,282	0.75	6.54
Park City Elem	737,207	206	766,695	766,695	8.86	61.00	51.46	29,488	0.85	52.14	29,488	0.81	42.60
Park City H S	567,484	111	590,184	590,183	11.64	25.15	24.46	22,700	0.78	13.51	22,699	0.79	12.82
Rapelje Elem	367,441	48	367,441	367,441	23.91	55.17	51.85	0	1.50	31.26	0	1.33	27.94
Rapelje H S	305,397	24	317,613	305,397	18.05	37.17	39.65	12,216	0.98	19.12	0	1.08	21.60
Reedpoint Elem	290,698	42	290,698	294,794	34.19	82.20	70.38	0	1.11	48.01	4,096	1.00	36.19
Reedpoint H S	210,163	28	222,898	218,570	8.84	12.52	18.17	12,735	0.66	3.68	8,407	0.71	9.33
Sweet Grass													
Big Timber Elem	1,034,403	306	1,075,779	1,075,799	41.09	61.92	66.33	41,376	0.85	20.83	41,396	0.84	25.24
Bridge Elem	28,468	5	29,607	29,880	15.30	67.49	61.79	1,139	0.83	52.19	1,412	0.67	46.49
Greycliff Elem	79,413	27	82,590	82,590	0.00	24.52	26.60	3,177	0.73	24.52	3,177	0.77	26.60
McLeod Elem	43,675	11	45,422	45,422	0.00	17.71	24.24	1,747	0.80	17.71	1,747	0.95	24.24
Melville Elem	81,940	18	81,940	85,218	9.43	32.35	29.75	0	1.01	22.92	3,278	0.87	20.32

DATE: 04/12/93
TIME: 07:54:32

IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Sweet Grass County H S	960,051	205	998,453	998,453	37.06	35.68	40.40	38,402	0.82	-1.38	38,402	0.85	3.34
Teton													
Byrnm Elem	94,341	61	112,455	116,319	13.21	1.68	0.00	18,114	0.49	-11.53	21,978	0.45	-13.21
Choteau Elem	1,043,104	333	1,084,829	1,084,828	49.39	50.41	58.15	41,725	0.78	1.02	41,724	0.78	8.76
Choteau H S	984,882	154	984,883	984,882	51.07	55.95	56.70	1	1.02	4.88	0	1.04	5.63
Dutton Elem	451,317	108	469,370	469,370	28.55	55.63	53.08	18,053	0.98	27.08	18,053	0.91	24.53
Dutton H S	440,690	46	440,690	458,318	37.69	50.84	49.31	0	1.03	13.15	17,628	0.99	11.62
Fairfield Elem	773,865	201	804,820	804,820	35.13	69.74	61.63	30,955	0.89	34.61	30,955	0.83	26.50
Fairfield H S	691,307	140	718,959	718,959	22.15	26.20	25.78	27,652	0.79	4.05	27,652	0.79	3.63
Golden Ridge Elem	83,950	24	87,309	87,308	19.50	55.01	50.19	3,359	0.84	35.51	3,358	0.80	30.69
Greenfield Elem	263,465	65	274,004	274,004	20.92	76.91	49.65	10,539	0.88	55.99	10,539	0.81	28.73
Pendroy Elem	47,904	9	49,493	47,904	6.69	14.45	14.90	1,589	1.00	7.76	0	1.09	8.21
Power Elem	419,989	111	436,789	436,789	59.30	75.35	65.12	16,800	0.86	16.05	16,800	0.81	5.82
Power H S	346,400	61	360,256	364,536	41.20	25.65	22.71	13,856	0.72	-15.55	18,136	0.67	-18.49
Toole													
Galata Elem	114,400	17	114,400	114,400	0.00	5.80	7.60	0	1.48	5.80	0	1.93	7.60
Shelby Elem	1,894,539	525	1,970,321	1,970,321	54.07	72.74	75.67	75,782	0.93	18.67	75,782	0.91	21.60
Shelby H S	1,283,059	222	1,301,339	1,283,059	26.03	36.53	38.77	18,280	1.00	10.50	0	1.03	12.74
Sunburst Elem	849,091	226	883,055	883,055	7.02	33.02	31.95	33,964	0.91	26.00	33,964	0.88	24.93
Sunburst H S	800,021	98	800,021	800,021	26.25	49.17	49.97	0	1.16	22.92	0	1.18	23.72
Treasure													
Hysham Elem	478,727	136	497,876	497,876	24.44	45.63	42.92	19,149	0.85	21.19	19,149	0.80	18.48
Hysham H S	474,503	57	489,019	493,483	32.82	48.47	43.07	14,516	1.00	15.65	18,980	0.91	10.25
Valley													
Fort Peck Elem	255,250	22	255,250	255,250	125.22	380.86	350.58	0	2.69	255.64	0	2.32	225.36
Frazer Elem	832,240	107	832,240	832,240	43.60	53.89	57.20	0	1.76	10.29	0	1.59	13.60
Frazer H S	651,679	34	651,679	651,679	15.69	32.53	31.47	0	1.78	16.84	0	1.81	15.78
Glasgow Elem	2,951,458	734	2,951,458	2,952,106	92.22	90.01	96.85	0	1.00	-2.21	648	1.00	4.63
Glasgow H S	1,752,000	285	1,752,000	1,752,000	62.79	63.33	71.11	0	1.09	0.54	0	1.17	8.32
Hinsdale Elem	387,392	67	387,392	387,392	14.60	42.35	39.97	0	1.20	27.75	0	1.09	25.37
Hinsdale H S	434,979	26	434,979	434,979	12.79	39.73	43.37	0	1.32	26.94	0	1.51	30.58
Lustre Elem	280,597	52	280,597	280,597	8.67	28.05	24.42	0	1.34	19.38	0	1.17	15.75
Neshua Elem	523,963	135	544,922	544,922	65.32	70.35	61.90	20,959	0.88	5.03	20,959	0.82	-3.42
Neshua H S	495,969	73	515,808	515,808	42.53	44.86	29.68	19,839	0.89	2.33	19,839	0.81	-12.85
Opheim Elem	537,258	69	537,258	537,258	38.15	73.77	70.74	0	1.58	35.62	0	1.39	32.59
Opheim Schools	515,861	44	515,861	515,861	32.51	60.49	54.93	0	1.24	27.98	0	1.18	22.42
Wheatland													
Harlowton Elem	691,304	211	718,957	718,956	34.08	42.87	45.78	27,653	0.76	8.79	27,652	0.73	11.70
Harlowton H S	648,455	116	674,394	674,393	26.79	35.15	37.66	25,939	0.87	8.36	25,938	0.89	10.87

School Finance
EX 1
4-12-93
HB-667

DATE: 04/12/93
TIME: 07:54:43

IMPACT OF HB667 USING REGRESSION ANALYSIS VERSUS FOUNDATION SCHEDULES
ESTIMATES FY 94 GENERAL FUND BUDGETS AND MILL LEVIES
($40 MILLION REDUCTION)

	ACTUAL 93 BUDGET	FY 94 ANB	HB 667 RESTATED 94 GF BUDGET W/874,SPED	CURRENT SCHEDULES RESTATED 94 GF BUDGET W/874,SPED	REGRESSION MODEL ACTUAL 93 MILLS	REGRESSION MODEL RESTATED 94 MILLS	CURRENT SCHEDULES RESTATED 94 MILLS	HB 667-FY94 BUDGET CHANGE	HB 667-FY94 PERCENT OF MAX	HB 667-FY94 MILL CHANGE	CURRENT SCHEDULES-FY94 BUDGET CHANGE	CURRENT SCHEDULES-FY94 PERCENT OF MAX	CURRENT SCHEDULES-FY94 MILL CHANGE
Judith Gap Elem	324,433	92	337,411	337,410	42.01	60.41	55.99	12,978	0.81	18.40	12,977	0.75	13.98
Judith Gap H S	260,477	36	270,897	270,896	48.83	23.35	25.40	10,420	0.72	-25.48	10,419	0.71	-23.43
Shawmut Elem	40,311	7	41,924	41,923	0.00	18.45	17.21	1,613	0.99	18.45	1,612	0.95	17.21
Two Dot Elem	45,017	8	45,994	45,017	3.08	4.95	4.87	977	1.00	1.87	0	1.02	1.79
Wibaux													
Wibaux Elem	895,448	156	895,448	895,448	9.81	53.48	49.94	0	1.30	43.67	0	1.19	40.13
Wibaux H S	659,663	82	659,663	659,663	0.00	33.82	30.41	0	1.10	33.82	0	1.05	30.41
Yellowstone													
Billings Elem	33,812,312	10,646	35,164,804	35,164,804	45.02	63.52	51.71	1,352,492	0.87	18.50	1,352,492	0.75	6.69
Billings H S	17,698,840	4,925	18,406,794	18,406,794	17.80	26.16	24.30	707,954	0.77	8.36	707,954	0.73	6.50
Blue Creek Elem	290,432	111	302,050	303,755	7.01	36.00	32.68	11,618	0.75	28.99	13,323	0.68	25.67
Broadview Elem	513,000	63	513,000	513,000	11.46	27.57	25.73	0	1.47	16.11	0	1.28	14.27
Broadview H S	508,000	37	508,000	508,000	8.90	24.64	25.33	0	1.29	15.74	0	1.28	16.43
Canyon Creek Elem	675,381	216	702,396	702,396	45.38	53.12	54.86	27,015	0.77	7.74	27,015	0.73	9.48
Custer Elem	408,840	59	408,840	408,840	25.00	73.69	69.22	0	1.37	48.69	0	1.25	44.22
Custer H S	421,800	27	421,800	421,800	28.42	73.29	78.27	0	1.27	44.87	0	1.40	49.85
Elder Grove Elem	597,375	212	621,270	621,270	38.19	44.00	47.61	23,895	0.72	5.81	23,895	0.70	9.42
Elysian Elem	294,683	132	314,086	319,492	7.83	14.10	13.00	19,403	0.65	6.27	24,809	0.61	5.17
Huntley Project Elem	1,508,287	490	1,568,618	1,568,618	33.58	50.68	54.25	60,331	0.79	17.10	60,331	0.79	20.67
Huntley Project H S	901,502	211	937,563	937,562	27.63	24.93	29.61	36,061	0.76	-2.70	36,060	0.79	1.98
Independent Elem	453,717	167	471,866	471,866	21.56	51.82	46.36	18,149	0.79	30.26	18,149	0.71	24.80
Laurel Elem	4,144,375	1,213	4,310,150	4,310,150	48.83	73.90	72.54	165,775	0.89	25.07	165,775	0.85	23.71
Laurel H S	2,009,140	613	2,117,674	2,089,506	10.22	17.38	21.37	108,534	0.67	7.16	80,366	0.71	11.15
Lockwood Elem	3,545,309	1,199	3,687,121	3,687,121	34.66	48.51	49.14	141,812	0.78	13.85	141,812	0.74	14.48
Morin Elem	151,335	34	151,335	151,335	1.77	13.44	17.25	0	1.11	11.67	0	1.30	15.48
Pioneer Elem	218,000	65	226,720	226,720	20.43	82.42	57.09	8,720	0.93	61.99	8,720	0.82	36.66
Shepherd Elem	1,334,655	542	1,425,262	1,415,425	24.83	34.95	40.87	90,607	0.65	10.12	80,770	0.65	16.04
Shepherd H S	1,058,765	253	1,101,116	1,101,116	45.15	27.32	32.88	42,351	0.75	-17.83	42,351	0.79	-12.27
	612,260,935		631,641,675	632,787,838				19,380,740			20,526,903		

SENATE TAXATION
EXHIBIT NO. 2
DATE 4-12-93
BILL NO. HB667

ASSUMPTIONS USED TO DETERMINE IMPACT OF HB667 USING EXISTING SCHEDULES

1. Foundation schedules are unchanged from current law.

2. Maximum budget (100% level) is equal to 185% of the current foundation program plus special education allowable costs (as well as 85% of prorated special ed coop costs).

3. Minimum budget (80% level) is equal to 148% of the current foundation program plus special education allowable costs (as well as 48% of prorated special ed coop costs).

4. State provides 75% of the foundation schedule amount through direct payment.

5. State provides GTB up to the lower of: a) the FY94 general fund budget; or (b) 148% of the foundation program plus special education.

6. Guaranteed tax base eligibility and subsidy amounts are based on the "weighted" formula.

7. Districts budgeting below the 148% level in FY93 are required to budget at the 148% level by FY98 (5 years @ 20%).

8. Districts budgeting above the 148% level and below the 185% level grow 4% per year permissively.

9. Districts budgeting above the 185% level are frozen at FY93 budget amounts.

10. FY94 ANB is based on FY93 enrollment (October 1, 1992) with projected growth in FY95.

11. PL81-874 is used to fund the amount of the budget above the 148% level.

12. Fund balance reappropriated remains constant at FY93 levels after adjusting downward for statutory reserve spenddowns.

13. Nonlevy revenues remain constant at FY92 actual receipts.

SENATE TAXATION
EXHIBIT NO. 3
DATE 4-12-93
BILL NO. HB667

SUPPLEMENT TO "ASSUMPTIONS USED TO DETERMINE IMPACT OF HB667 USING EXISTING SCHEDULES"

1. Assumptions 6 through 12 are the same under both models:
   a. low spender growth takes place over 5 years.
   b. annual growth for districts within minimum and maximum limits is at 4%.
   c. high spending districts' budgets are frozen at the FY 93 level.
   d. the enrollment numbers are projected for the next biennium.
   e. P.L.81-874 is used in the unsubsidized portion of the budgets.
   f. fund balance reappropriated is adjusted down for statutory reserve spend-downs.
   g. nonlevy revenue remains constant at the FY 92 actual receipts.

2. Maximum budget under the HB 667 model is based on an entitlement calculation (base entitlements plus a total per student allocation which is based on enrollment within the district) plus allowable special ed costs. The minimum budget is 80% of the entitlement calculation plus the allowable special ed costs plus an additional 40% of the allowable special ed costs.

3. State provides direct payment for 40% of the entitlement calculation plus the special ed allowable costs. State provides GTB assistance (weighted GTB) up to the lower of the FY 94 budget or the next 40% of the entitlement calculation plus the additional 40% special ed allowable costs.

4. The attached spreadsheet illustrates disparities which are inherent in the current foundation schedules.

OFFICE OF THE LEGISLATIVE AUDITOR

COBB09T.WK1
01/22/93
10:19 AM

FY 90, 91, 92 and 93 BUDGET DATA
GENERAL FUND BUDGET / FOUNDATION PROGRAM AND GTB AID
AVERAGE RATIO PER CATEGORY

SENATE TAXATION
EXHIBIT NO. 4
DATE 4-12-93
BILL NO. HB667

SOURCE: THE OFFICE OF PUBLIC INSTRUCTION
(UNAUDITED)

CATEGORY	FY 90 GENERAL FUND BUDGET/ FOUND. PGM AVE PER CAT.	FY 91 GENERAL FUND BUDGET/ FOUND. PGM AVE PER CAT.	FY 92 GENERAL FUND BUDGET/ FOUND. PGM AVE PER CAT.	FY 93 GENERAL FUND BUDGET/ FOUND. PGM AVE PER CAT.
ELEMENTARY				
1	1.75	1.31	1.38	1.48
2	2.13	1.62	1.56	2.11
3	2.07	1.56	1.39	1.98
4	1.74	1.48	1.78	1.78
5	1.86	1.47	1.56	1.55
6	2.18	1.59	1.74	1.77
7	1.85	1.33	1.39	1.46
8	1.87	1.26	1.30	1.36
HIGH SCHOOL				
9	2.67	1.79	1.65	1.82
10	2.64	1.85	1.86	2.05
11	2.19	1.49	1.63	1.64
12	2.21	1.51	1.60	1.57
13	2.03	1.40	1.47	1.59
14	2.17	1.48	1.50	1.64
15	1.99	1.33	1.41	1.45

NOTE: SOME SCHOOLS CHANGED CATEGORIES BETWEEN FY91, FY92 AND FY93.
FY91, 92, AND 93 GENERAL FUND BUDGETS EXCLUDE P.L.874 MONIES.
DISTRICTS WITH P.L.874 RECEIPTS GREATER THAN 10% OF ITS GENERAL FUND BUDGET WERE EXCLUDED FROM OUR ANALYSIS.

NET EFFECT OF SUBCOMMITTEE ACTIONS

	FY94	FY95
~~20%MIN~~	~~$0.515~~	~~$1.798~~
WID GTB	($0.592)	($0.670)
800 STOP LOSS	$1.075	$1.222
ENROLLMENT	$5.087	$5.381
~~VOTE BELOW 80%~~	~~$1.649~~	~~$0.918~~
SPECIALED GTB	$6.309	$6.309
GTB % TO 172 ~~196~~	(11.020) ~~$0.390~~	(13.351) ~~$0.149~~
NET EFFECT	.859 ~~$11.189~~	(1.109) ~~$15.899~~

SENATE TAXATION
EXHIBIT NO. 5
DATE 4-12-93
BILL NO. HB 667

Changes From Senate Subcommittee Version

1. Return minimum growth To 20% in house version
2. No voted to increase above mandatory growth below 80%.
3. Change GTB % To 172% of Statewide Average

SENATE TAXATION
EXHIBIT NO. 6
DATE 4-12-93
BILL NO. HB667

Amendments to House Bill No. 667
3rd Reading Copy

Requested by Subcommittee
For the Committee on Education

Prepared by Andrea Merrill
April 12, 1993

1. Title, page 3, line 8.
Following: "GRANT;"
Insert: "INCREASING THE BASIC ENTITLEMENT AND PER-ANB ENTITLEMENT FOR DISTRICTS BY (4?) PERCENT EACH SCHOOL FISCAL YEAR, CONTINGENT ON PASSAGE AND VOTER APPROVAL OF LEGISLATION PROVIDING FOR A SALES TAX;"

2. Page 91, line 9.
Following: line 8
Insert: "NEW SECTION. **Section 43. Coordination.** (1) If [this act] and Senate Bill No. 235 are both passed and approved, Section 71 of Senate Bill No. 235, establishing the disposition of sales tax revenue, is amended to read:

"NEW SECTION. Section 71. **Disposition of sales tax and use tax revenue -- appropriation required.** (1) Sales tax and use tax revenue deposited in the sales tax and use tax account established in [section 70] must be distributed according to the provisions of subsection (2) and is allocated as follows:

(a) the amount determined under 15-1-111(6) to provide property tax replacement revenue for each taxing jurisdiction;

(b) to the state equalization aid account in 20-9-343, the amount necessary to provide an increase of (4?)% in each fiscal year for the basic entitlement, defined in [section 1] and an increase of (4?)% in each fiscal year for the total per-ANB entitlement, as defined in [section 1];

(c) for the fiscal year ending june 30, 1995, the amount determined under [section 184] to be deposited in the workers' compensation tax account established in 39-71-2504; and

(d) the amount of sales tax and use tax revenue remaining after the allocations in subsections (1)(a) through (1)(c) is allocated in the same manner as income tax revenue is allocated under 15-1-501(2).

(2) (a) Except as provided in subsection (1)(d), distribution of sales tax and use tax revenue must be made according to the provisions of the statute governing allocation of the tax in effect on the last day of the tax period in which the activity, enterprise, or product being taxed was engaged in, took place, was assembled, or was produced.

(b) All taxes collected pursuant to audit or collected after the date the tax is payable must be distributed according to the statute governing allocation of the tax in effect on the date the taxes are collected.

(3) This section provides for the disposition of sales tax and use tax revenue. Allocations may not be made from the sales tax and use tax account until appropriated."

(2) If [this act] and Senate Bill No. 235 are both passed and approved, [this act] is amended to read:

"NEW SECTION. **Section 37. Annual entitlement increase.** For the school fiscal year beginning July 1, 1994, and each succeeding school fiscal year, the superintendent of public instruction shall increase the basic entitlement for each district in [section 1(5)] by (4?) and the total per-ANB entitlement calculated for each district in [section1(9)] by (4?)%.""

Amendments to House Bill No. 667
3rd Reading Copy, as amended

Requested by Subcommittee
For the Senate Select Committee on Education

Prepared by Andrea Merrill
April 6, 1993

1. Title, page 1, line 10.
Strike: "5"
Insert: "3"

2. Title, page 1, line 20.
Following: "ELIGIBLE;"
Insert: "REQUIRING VOTER APPROVAL TO EXCEED CERTAIN GENERAL FUND BUDGET GROWTH INCREMENTS UP TO THE BASE BUDGET AMOUNT FOR A DISTRICT IN THE 3 SCHOOL FISCAL YEARS FOLLOWING IMPLEMENTATION;"

3. Title, page 1, line 22 through page 2, line 3.
Following: "REVENUE" on line 22
Strike: remainder of line 22 through "TO" on page 2, line 3
Insert: "; REQUIRING VOTER APPROVAL FOR DISTRICT GENERAL FUND BUDGET GROWTH THAT EXCEEDS"

4. Title, page 2, line 6.
Following: "YEAR'S ANB;"
Insert: "REVISING THE METHOD OF CALCULATING GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS BY COMPARING A DISTRICT'S TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT TO THE STATEWIDE TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE STATEWIDE MAXIMUM GENERAL FUND BUDGET AMOUNT;"

5. Title, page 2, line 8.
Strike: "195"
Insert: "196"

6. Title, page 2, lines 11 through 13.
Following: "~~YEAR~~" on line 11
Strike: remainder of line 11 through "IMPLEMENTATION," on line 13
Insert: "FREEZE GENERAL FUND BUDGET GROWTH"

7. Title, page 2, line 18.
Following: "FUND;"
Insert: "EQUALIZING FUNDING FOR SCHOOL DISTRICT FACILITY NEEDS BY PROVIDING GUARANTEED TAX BASE AID FOR THE DEBT SERVICE FUND OF A SCHOOL DISTRICT IF THE DISTRICT MILL VALUE PER ANB IS LESS THAN THE CORRESPONDING STATEWIDE MILL VALUE PER ANB; ALLOWING A DISTRICT THAT QUALIFIES FOR GUARANTEED TAX BASE AID TO INCUR INDEBTEDNESS UP TO 45 PERCENT OF THE STATEWIDE TAXABLE VALUE PER PUPIL MULTIPLIED BY THE DISTRICT'S ANB;"

8. Title, page 2, lines 24 and 25.

Strike: "STATE EQUALIZATION"
Insert: "BASE"

9. Title, page 2, line 25 through page 3, line 6.
Following: "AID;" on page 2, line 25
Strike: remainder of line 25 through "YEARS;" on page 3, line 6
Insert: "BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT FROM OCTOBER OF THE PREVIOUS YEAR;"

10. Title, page 3, line 8.
Following: "GRANT;"
Insert: "REMOVING CERTAIN CAPITAL OUTLAY COSTS FROM THE GENERAL FUND BUDGET;"
Following: "SECTIONS"
Insert: "20-2-121,"

11. Title, page 3, line 9.
Following: "20-5-312,"
Insert: "20-6-401, 20-6-406,"

12. Title, page 3, line 10.
Following: "20-6-702,"
Insert: "20-7-117,"
Following: "20-9-143,"
Strike: "20-9-147,"

13. Title, page 3, line 11.
Following: "20-9-303,"
Insert: "20-9-304,"

14. Title, page 3, line 12.
Following: "20-9-344,"
Insert: "20-9-346,"

15. Title, page 3, line 13.
Strike: "AND"
Following: "20-9-368,"
Insert: "20-9-369, 20-9-406, 20-9-439, AND 20-9-507,"

16. Title, page 3, line 14.
Following: "20-9-145,"
Insert: "20-9-147,"

17. Page 5.
Following: line 21
Insert: "(2) "BASE aid" means:
(a) direct state aid for any amount up to 40% of the basic entitlement and up to 40% of the total per-ANB entitlement budgeted in the general fund budget of a district; and
(b) guaranteed tax base aid for an eligible district for any amount up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted in the general fund budget of a district, and up to 40% of the special education allowable cost payment."
Renumber: subsequent subsections

18. Page 6, line 8.
Following: "districts"
Insert: "and special education allowable cost payments as provided in 20-9-321"

19. Page 6, line 11.
Following: "district"
Insert: "or K-12 district elementary program"

20. Page 6, line 15.
Following: "district"
Insert: "or K-12 district elementary program"

21. Page 6, lines 24 and 25.
Following: "district" on line 24
Strike: "and"
Insert: ","
Following: "district" on line 25
Insert: ", and special education allowable cost payments plus up to 53% of special education allowable cost payments"

22. Page 7, lines 5 through 13.
Strike: subsection (8) in its entirety
Renumber: subsequent subsections

23. Page 7, line 16.
Following: "district,"
Insert: "a maximum rate of"

24. Page 7, line 17.
Following: "ANB"
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

25. Page 7, line 18.
Strike: "to"
Insert: "through"

26. Page 7, lines 18 and 19.
Page 8, lines 12 and 13.
Strike: "1,000"
Insert: "800"

27. Page 7, line 20.
Page 8, line 14.
Strike: "1,000TH"
Insert: "800th"

28. Page 7, line 21.
Following: "district"
Insert: "or a K-12 district elementary program"

29. Page 7, line 23.
Following: line 22
Insert: "a maximum rate"
Following: "ANB"
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

30. Page 7, line 24.
Strike: "to"
Insert: "through"

31. Page 8, line 2.
Following: "district"
Insert: "or a K-12 district elementary program"

32. Page 8, line 5
Following: "(i)"
Insert: "a maximum rate of"

33. Page 8, line 6.
Following: "6"
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"
Strike: "to"
Insert: "through"

34. Page 8, line 10.
Following: "(ii)"
Insert: "a maximum rate of"

35. Page 8, line 11.
Following: line 10
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

36. Page 8, line 12.
Following: "up"
Strike: "to"
Insert: "through"

37. Page 8, line 23.
Following: "through"
Strike: "state equalization"

Insert: "BASE"

38. Page 9, line 7.
Following: "title."
Insert: "Costs that may not be budgeted or paid from the general fund include but are not limited to bond principal and interest payments, the purchase of new and replacement buses, new construction, building addition expenses, land acquisitions, infrastructure expenses, and major building renovations.

(4) The provisions of subsection (3) do not prohibit a district from paying for the costs of routine or emergency repairs out of the general fund."
Renumber: subsequent subsection

39. Page 9, line 15.
Following: line 14
Insert: "(c) appropriations for special education;"
Renumber: subsequent subsections

40. Page 10, line 5.
Following: "(2)"
Insert: "(a)"

41. Page 10, line 9 through page 14, line 5.
Following: "district" on line 9
Strike: remainder of line 9 through page 14, line 5
Insert: "shall increase within 3 school fiscal years the general fund budget for the district by the greatest of:

(i) 104% of the previous year's general fund budget;

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; or

(iii) for the appropriate school fiscal year:

(A) 33.3% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;

(B) 50% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994; or

(C) the remainder of the range between the district general fund budget for the school fiscal year ending June 30, 1995, and the BASE budget for the district for the school fiscal year beginning July 1, 1995.

(b) Except for the school fiscal year beginning July 1, 1993, whenever the trustees of a district adopt a general fund budget that exceeds one of the limitations in subsection (2)(a) but does not exceed the BASE budget for the district, the trustees shall submit a proposition on the amount that exceeds the limitation to the electors of the district, as provided in 20-9-353.

(3) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district but

does not exceed the maximum general fund budget for the district, the trustees shall:

(a) adopt a resolution stating the reasons and purposes for exceeding the BASE budget amount if the general fund budget adopted under this subsection (3) does not exceed the greater of:

(i) 104% of the previous year's general fund budget; or

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; or

(b) except for the school fiscal year beginning July 1, 1993, submit a proposition on any amount of the over-BASE budget levy that exceeds one of the limitations in subsection (3)(a) to the electors of the district, as provided in 20-9-353.

(4)(a) If the maximum general fund budget for a district for an ensuing school fiscal year is less than the general fund budget for the district for the current school fiscal year, the trustees of the district may not adopt a general fund budget for the ensuing school fiscal year that is greater than:

(i) the district's general fund budget for the current school fiscal year; or

(ii) the maximum general fund budget for the district for the ensuing school fiscal year.

(b) Except for the school fiscal year beginning July 1, 1993, the trustees of the district shall submit a proposition to raise any general fund budget amount that is in excess of the maximum general fund budget for the district to the electors who are qualified under 20-20-301 to vote on the proposition, as provided in 20-9-353.

(5) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the district, the trustees shall finance this amount with the following sources of revenue:

(a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible, as provided in 20-9-366 through 20-9-369;

(b) county equalization aid, as provided in 20-9-331 and 20-9-333;

(c) a district levy for support of a school not approved as an isolated school under the provisions of 20-9-302;

(d) payments in support of special education programs under the provisions of 20-9-321;

(e) nonlevy revenue as provided in 20-9-141; and

(f) a BASE budget levy on the taxable value of all property within the district.

(6) The over-BASE budget amount of a district must be financed by a levy on the taxable value of all property within the district or other revenue available to the district as provided in 20-9-141."

42. Page 16, line 2.
Following: "distribute"
Strike: "state equalization"
Insert: "BASE"

43. Page 29, line 18.
Following: "of"

Strike: "20-9-353"
Insert: "20-9-502"

44. Page 29, line 20.
Following: "building;"
Insert: "or"

45. Page 29, line 21 through page 30, line 2.
Strike: subsection (c) in its entirety
Renumber: subsequent subsection

46. Page 31, lines 16 through 18.
Following: "using" on line 16
Strike: remainder of line 16 through "ANB" on line 18
Insert: "each district's guaranteed tax base ratio, as defined in 20-9-366"

47. Page 31, lines 19 and 20.
Following: "levy" on line 19
Strike: remainder of line 19 through the second "levy" on line 20

48. Page 33, line 9.
Following: "be"
Insert: ": (a)"

49. Page 33, line 12.
Following: "ON"
Strike: "JULY 1"
Insert: "June 30"

50. Page 33, line 14.
Following: the first "THE"
Strike: "JULY 1, 1994"
Insert: "June 30, 1993"

51. Page 33, line 15.
Strike: "35"
Insert: "46"
Following: "1"
Insert: "; or"
(b) transferred at the end of the school fiscal year ending June 30, 1993, to the building reserve, transportation, or bus depreciation funds"

52. Page 33, line 25.
Strike: subsection (a) in its entirety
Renumber: subsequent subsections

53. Page 37, line 7 through page 41, line 15.
Strike: section 12 in its entirety
Renumber: subsequent sections

54. Page 44, line 4.
Strike: "SUBSECTION (1)(B)(II)"
Insert: "subsections (1)(b)(i) and (1)(b)(iii)"

55. Page 44, line 8.
Following: "~~act;~~"
Insert: "Public Law 81-874 funds transferred to the general fund from the impact aid fund as provided in [section 46];
(ii)"
Renumber: subsequent subsections

56. Page 45, line 20.
Following: "budget"
Strike: "levy"
Insert: "amount"

57. Page 45, line 21.
Following: "and"
Strike: "an"
Insert: "any"

58. Page 45, line 22.
Following: "levy"
Insert: "financing"

59. Page 46, line 6.
Following: "levied"
Insert: "and for Public Law 81-874 funds transferred to the general fund in lieu of levying mills"

60. Page 46, line 24.
Strike: "35"
Insert: "46"

61. Page 46, line 25 through page 48, line 8.
Strike: section 16 in its entirety
Renumber: subsequent sections

62. Page 50, lines 10 and 11.
Following: the first "expenditures" on line 10
Strike: remainder of line 10 through "year" on line 11

63. Page 50, line 17.
Following: "amendment."
Insert: "If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase."

64. Page 50, lines 19 through 21.
Following: "petition" on line 19
Strike: remainder of line 19 through "year" on line 21
Insert: "for the reason provided in 20-9-161(1) if the amount will cause the district to exceed the district's adjusted maximum general fund budget"

65. Page 53, line 25 through page 54, line 1.
Following: "~~program~~" on line 25

Strike: remainder of line 25 through "20-9-347" on page 54, line 1
Insert: "basic entitlement and total per-ANB entitlement, as defined in [section 1]"

66. Page 54, line 2.
Following: "~~one-half~~"
Strike: "BASE budget amount"
Insert: "one-half"

67. Page 54, line 9.
Strike: "accounting budget"
Insert: "program"

68. Page 54, lines 16 through 20.
Following: "3)." on line 16
Strike: remainder of line 16 through "title." on line 20
Following: "The"
Strike: "unexpended balance"
Insert: "amount"

69. Page 54, lines 21 and 22.
Following: line 20
Strike: line 21 through the second "to"
Insert: "allowable cost payments that is not matched with district funds, as required in 20-9-321, will"
Strike: the first "the" on line 22 through "finance"
Insert: "by a like amount"

70. Page 56, lines 12 through 19.
Strike: lines 12 through 19
Insert: "as follows:

(a) count the regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year; and

(b) multiply the enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school year and divide by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) When"

71. Page 56, line 21.
Following: "total"
Insert: "ANB"

72. Page 56, lines 22 through 25.
Following: "20-9-805." on line 22
Strike: remainder of lines 22 through 25
Insert: "(4)"

73. Page 57, line 3.
Following: "."

Insert: "(5)"

74. Page 57, lines 4 and 5
Following: "at" on line 4
Strike: remainder of line 4 through "from" on line 5

75. Page 57, lines 7 and 8.
Following: "one-half" on line 7
Strike: remainder of line 7 through "be" on line 8
Insert: "a pupil for ANB purposes"

76. Page 57, line 11.
Following: "ANB"
Insert: "for a kindergarten student"

77. Page 57, line 12.
Following: "pupil."
Insert: "(6)"

78. Page 57, lines 14 and 15.
Following: "the" on line 14
Strike: remainder of line 14 through "absence" on line 15
Insert: "pupil"

79. Page 57, lines 15 through 17.
Following: "in the" on line 15
Strike: remainder of line 15 through the first "the" on line 17
Insert: "count"

80. Page 57, lines 18 and 19.
Following: "ANB" on line 18
Strike: remainder of line 18 through "school" on line 19
Insert: "unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided for in 20-7-117, may not be included in the ANB calculations

81. Page 58, line 3.
Following: line 2
Insert: "(8) If a student spends less than half the time in the regular program and the balance of the time in school in the special education program, the student is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of the time in school in the regular program and the balance of the time in the special education program, the student is considered regularly enrolled for ANB purposes."
Renumber: subsequent subsections

82. Page 59, line 16.
Following: line 15
Insert: "(11) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students,

using a format determined by the superintendent of public instruction."

83. Page 62, line 8.
Following: line 7
Insert: "(7)(a) Immediately upon completion of the October enrollment count provided for in 20-9-311, the district clerk of a school district that anticipated an enrollment increase and, accordingly, increased the district ANB under the provisions of this section shall recalculate the district BASE budget and the maximum general fund budget in accordance with [section 3], using the October enrollment count. If the actual enrollment is less than the anticipated enrollment, the district clerk shall recalculate the district levy requirement and notify the county superintendent, county assessor, and county treasurer of the reduced levy requirement.

(b) At the next regularly scheduled meeting of the board of trustees of the district, the trustees shall adopt a revised budget and notify the superintendent of public instruction and the county superintendent of schools of the revised budget and levy requirements."

84. Page 63, lines 12 through 19.
Strike: subsection (3) in its entirety
Renumber: subsequent subsections

85. Page 64, line 18.
Strike: "(4)"
Insert: "(3)"

86. Page 65, line 19.
Strike: "(4)"
Insert: "(3)"

87. Page 65.
Following: line 24
Insert: "Section 23. Section 20-9-321, MCA, is amend to read:

"20-9-321. ~~Foundation program and contingency funds~~ **Allowable cost payment for special education.** (1) For the purpose of establishing the ~~foundation program amount~~ allowable cost payment for a current year special education program for a school district, the superintendent of public instruction shall determine the total ~~estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program~~ special education payment for special education services to a school district, cooperative, or joint board formed under 20-3-361 prior to July 1, 1992, using the following factors:

(a) the ~~estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431~~ district ANB student count as established pursuant to 20-9-311 and 20-9-313; ~~and~~

(b) ~~the number of pupils expected to be enrolled in the program~~ a per-ANB amount for the special education instructional block grant;

(c) a per-ANB amount for the special education related services block grant;

(d) weighted cost factors for cooperatives or joint boards meeting the requirements of 20-7-457, to compensate for the additional costs of operations and maintenance, travel, supportive services, recruitment, and administration;

(e) district and cooperative expenditure reports; and

~~(c)~~ (f) any other data required by the superintendent of public instruction ~~for budget justification purposes and~~ to administer the provisions ~~of 20-9-315 through 20-9-321~~ this section.

(2) ~~The total amount of allowable costs approved by the superintendent of public instruction is the special education foundation program amount allowable cost payment for current year special education program purposes. The total amount of allowable costs that are approved for the special education budget may not, under any condition, be less than the foundation program amount for one regular ANB for each full time special pupil in the school district.~~ Special education allowable cost payments must be granted to each school district and cooperative with a special education program as follows:

(a) An instructional block grant must be awarded to each school district, based on the district ANB and the per-ANB special education instructional amount.

(b) A special education related services block grant must be awarded to each school district that is not a cooperative member, based on the district ANB and the per-ANB special education related services amount. The special education related services block grant amount for districts that are members of approved cooperatives or a joint board must be awarded to the cooperatives or joint board. If a cooperative or joint board meets the requirements of 20-7-457, the special education related services block grant must be weighted for the factors in subsection (1)(d).

(3) The superintendent of public instruction shall annually determine the per-ANB special education instructional and special education related services block grant amounts based on the prior years' trustees' expenditure data for special education instruction and related services.

(4) The superintendent of public instruction shall adopt rules necessary to implement this section.

(5) A district shall provide a 25% local contribution for special education, matching every $3 of state special education instructional and special education related services block grants with at least one local dollar. A district that is a cooperative member is required to provide the 25% match of the special education related services grant amount to the special education cooperative, but the district is not required to match the weighted funding factors.

(6) The superintendent of public instruction shall determine the actual district match based on the trustees' reports. Any unmatched portion reverts to the state and must be

subtracted from the district's ensuing year's foundation program payment.

(7) If a district's allowable costs of special education, as verified by the trustees' reports, exceed by at least 10% the total of the special education instructional and special education related services block grant plus the required district match, the district is eligible for a 65% reimbursement of the costs that exceed the additional 10%. A district that demonstrates severe economic hardship because of exceptional special education costs may apply to the superintendent of public instruction for an advance on the reimbursement for the year in which the actual costs will be incurred.

~~(3)~~ (8) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in ~~subsection (4)~~ 20-9-507.

~~(4) If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district foundation program budget for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the foundation program amount allowable cost payment for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.~~

~~(5) (a) The special education contingency funds in subsection (4):~~

~~(i) are biennially appropriated;~~

~~(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and~~

~~(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.~~

~~(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.~~

~~(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program amount for special education must be added to the foundation program amount of the regular program ANB defined in 20-9-311 and 20-9-313 to obtain the total foundation program amount for the district.~~""

{*Internal References to 20-9-321:*
x20-7-431 *a20-9-141* *a20-9-147* *a20-9-303*
a20-9-321 *a20-9-366* *x20-9-507*}

Renumber: subsequent sections

88. Page 68, lines 11 and 19.
Page 70, line 14.
Page 71, lines 1, 6, 12, 15, 16 and 17, and 23.
Page 72, lines 5 and 6, 10 and 11, 17 and 18, and 21.
Page 73, lines 13 and 14 and 16.
Page 75, lines 12, 15, and 23.
Page 76, lines 4, 11, 17, and 22.
Page 77, lines 5 and 6, 7 and 8, and 21.
Page 78, lines 10, 24, and 25.
Page 79, lines 4 and 5 and 11.
Strike: "state equalization" or "state equalization" or "STATE EQUALIZATION"
Insert: "BASE"

89. Page 68, lines 4 and 5.
Strike: "account" or "account"

90. Page 68, line 11.
Following: "~~program~~"
Insert: "guaranteed tax base aid,"
Following: "aid"
Insert: "and"

91. Page 68, line 13.
Following: "GRANT"
Strike: ","

92. Page 68, line 19.
Following: "~~foundation~~"
Insert: "guaranteed tax base aid,"

93. Page 68, line 20.
Following: "~~,~~"
Insert: ","

94. Page 78, line 8.
Following: "for"
Strike: "state"
Insert: "BASE aid"

95. Page 78, lines 19 and 20.

Following: "the" on line 19
Strike: "state" through "equalization" on line 20
Insert: "BASE"
Following: "money" on line 20
Insert: ", state special education appropriation,"

96. Page 79, line 4.
Following: "~~20-9-369~~"
Insert: "guaranteed tax base aid required under 20-9-366 through 20-9-369 and"

97. Page 79, line 15.
Following: "**Additional**"
Strike: "**levy**"
Insert: "**financing**"

98. Page 80, line 5.
Following: "SECTION 3"
Strike: "(3)(B)"
Insert: "(4)(b)"

99. Page 80, line 10.
Following: "proposition"
Strike: remainder of line 10
Insert: "to finance"

100. Page 80, lines 19 and 20.
Following: "be" on line 19
Strike: remainder of line 19 through "taxation" on line 20
Insert: "financed"
Following: "raise" on line 20
Insert: "all or a portion of"

101. Page 80, lines 24 and 25.
Following: "Shall" on line 24
Strike: remainder of line 24 through "necessary" on line 25
Insert: "the district be authorized"

102. Page 81, lines 1 and 2.
Following: "raised" on line 1
Strike: remainder of line 1 through "levy" on line 2

103. Page 81, line 4.
Strike: "tax levy"
Insert: "financing"

104. Page 81, lines 5 and 6.
Strike: "the"
Insert: "budget authority and any "

105. Page 81, line 7.
Following: "additional"
Strike: "levy"
Insert: "financing"

106. Page 81, line 12.
Following: "certify"
Strike: "the"
Insert: "any"

107. Page 81, line 24.
Strike: "CHOOSE TO OR"

108. Page 81, line 25.
Strike: "FOR"
Insert: "to finance a base budget amount, as provided in [section 3(2)(b)], or"

109. Page 82, line 1.
Strike: "LEVY"
Insert: "amount, as provided in [section 3(3)(b)],"

110. Page 82, lines 1 and 2.
Strike: "AS" on line 1 through "3]" on line 2

111. Page 82, line 16.
Following: "(2)"
Insert: "(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the BASE budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by 40% of the district's current year maximum general fund budget.
(b)
Following: "ANB""
Insert: ", for debt service and retirement purposes,"

112. Page 83, line 5.
Following: "~~and~~"
Insert: "debt service and"

113. Page 83, lines 13 and 14.
Following: "Statewide" on line 13
Strike: remainder of line 13 through "ANB" on line 14
Insert: "guaranteed tax base ratio for elementary districts or statewide guaranteed tax base ratio for high school districts"

114. Page 83, line 18.
Strike: "195%"
Insert: "196%"
Following: "and"
Strike: remainder of line 18

115. Page 83, lines 19 and 20.
Following: "by" on line 19
Insert: "40% of"
Following: "state" on line 19
Strike: remainder of line 19 through line 20

116. Page 83, line 22.

Strike: "per-ANB entitlement"
Insert: "maximum general fund budget"

117. Page 83, line 25.
Strike: "taxable value per ANB"
Insert: "guaranteed tax base ratio"

118. Page 84, lines 2 and 3.
Following: "~~mill~~" on line 2
Strike: remainder of line 2 through the second "ANB" on line 3
Insert: "guaranteed tax base ratio for elementary districts or statewide guaranteed tax base ratio for high school districts"

119. Page 84, line 4.
Following: "levied"
Insert: ", including mills that would have been levied had the district not elected to transfer Public Law 81-874 funds to the general fund in lieu of levying the mills,"

120. Page 84, line 10.
Strike: "or"
Insert: ", the"

121. Page 84, line 11.
Following: "ANB"
Insert: ", or the district taxable value per ANB"

122. Page 85, line 10.
Strike: "per ANB"

123. Page 85, lines 12 and 14.
Following: "entitlement" on line 12
Strike: "and"
Insert: ","
Following: "budget" on line 14
Insert: ", and up to 40% of the special education payment"

124. Page 85, lines 14 through 18.
Following: "is" on line 14
Strike: remainder of line 14 through "budget" on line 18
Insert: "calculated in the following manner:
(a) multiply 40% of the district's current year maximum general fund budget amount by the corresponding statewide guaranteed tax base ratio;
(b) subtract the taxable valuation of the district from the product obtained in subsection (3)(a); and
(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied"

125. Page 85, line 19.
Following: line 18
Insert: "(4) The amount of guaranteed tax base aid per ANB that a district may receive in support of its debt service fund budget is subject to the provisions of [section 41] and is

the difference between the district mill value per ANB and the corresponding statewide mill value per ANB, multiplied by the number of mills levied in support of the district's debt service fund budget and multiplied by the percentage of the total principal amount of its proposed bond amount that meets the requirements of [section 41(1)(b)]."
Renumber: subsequent subsection

126. Page 86, line 4.
Following: line 3
Insert: "**Section 34.** Section 20-6-401, MCA, is amended to read:

"**20-6-401. Definitions.** As used in this part, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Component districts" means the elementary or high school districts incorporated into the enlarged district.

(2) "Eligible pupils" means the average number belonging (ANB) in the operating schools of the component districts and the tuition pupils residing in the component districts and attending another district's school under the tuition provisions of the school laws, except that the pupils residing in the component district having the largest total number of pupils are ineligible for bonus payment consideration.

(3) "Enlarged district" means the elementary or high school district resulting from the consolidation or annexation of two or more component districts.

(4) "General bonus payment" for first- and second-class school districts must be $450 per eligible pupil per year for a period of 3 years ~~and must be deposited in the enlarged district's general fund~~. General bonus payment for third-class school districts must be $750 per eligible pupil per year for a period of 3 years ~~and must be deposited in the enlarged district's general fund~~. The general bonus payment must be made from the state school equalization aid account.

(5) "Transportation bonus payment" is the provision of 66 2/3% state financing of the on-schedule transportation amount as provided by the transportation provisions of the school laws. When an eligible pupil is entitled to transportation, the enlarged district is entitled to the transportation bonus payment for the eligible pupil for a period of 3 years. The payment must be made from the state transportation aid account. When the eligible pupil rides a bus providing transportation for ineligible pupils, the 66 2/3% state financing of the on-schedule amount for this payment must be prorated to provide financing for the eligible pupil."

{*Internal References to 20-6-401:*
X20-6-402 *X20-6-703* *A20-9-104 (3)* *R20-9-315*}

Section 35. Section 20-6-406, MCA, is amended to read:

"**20-6-406. Disbursal and deposit of bonus payments.** On or before June 30 of the next 3 consecutive years following the year of application, the superintendent of public instruction shall disburse the bonus payments for approved applications to the enlarged school district, and such disbursement is statutorily appropriated as provided in 17-7-502. The general bonus payment shall be deposited by the county treasurer in the enlarged

district's general fund or building reserve fund, and the transportation bonus payment shall be deposited by the county treasurer in the transportation fund. These bonus payments shall not be considered as a part of the regular ~~state equalization~~ BASE aid or state transportation aid received by the enlarged district."

Section 36. Section 20-9-311, MCA, is amended to read:

"**20-9-311. Calculation of average number belonging (ANB).** (1) Average number belonging (ANB) must be computed ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180~~ as follows:

(a) compute an average enrollment by adding a count of regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divided by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) ~~However, when~~ When a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil instruction days and 7 pupil instruction-related days.~~

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half ~~day attended or absent as the case may be~~ pupil for ANB purposes. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB for a kindergarten student may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his absence after the 10th day of absence~~ the pupil may not be included in the ~~aggregate days of absence and his~~ enrollment ~~in the school may not be considered~~ count used in the calculation of the ~~average number belonging until he resumes attendance at school~~ ANB unless the pupil

resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~ (8) The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

~~(a) (i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full time pupils of the school must be calculated separately for ANB purposes; or~~

~~(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full time pupils of the school must be calculated separately for ANB purposes;~~

~~(b)~~ (a) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

~~(c)~~ (b) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~ (c) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~ (9) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent."

Section 37. Section 20-9-369, "MCA, is amended to read:

"20-9-369. **Duties of superintendent of public instruction and department of revenue.** (1) The superintendent of public instruction shall administer the distribution of guaranteed tax base aid by:

(a) providing each school district and county superintendent, by March 1 of each year, with the preliminary statewide ~~and county mill values per ANB~~ guaranteed tax base ratios and, by May 1 of each year, with the final statewide~~,~~ and district~~, and county mill values per ANB~~ guaranteed tax base ratios, for use in calculating the guaranteed tax base aid available for the ensuing school fiscal year;

(b) providing each county superintendent, by March 1 of each year, with the preliminary statewide and county mill values per ANB and, by May 1 of each year, with the final statewide and county mill values per ANB, for use in calculating the guaranteed tax base aid available to counties for the ensuing school fiscal year;

~~(b)~~ (c) requiring each county and district that qualifies and applies for guaranteed tax base aid to report to the county superintendent all budget and accounting information required to administer the guaranteed tax base aid;

~~(c)~~ (d) keeping a record of the complete data concerning appropriations available for guaranteed tax base aid and the entitlements for ~~such~~ the aid of the counties and districts that qualify;

~~(d)~~ (e) distributing the guaranteed tax base aid entitlement to each qualified county or district from the appropriations for that purpose.

(2) The superintendent shall adopt rules necessary to implement 20-9-366 through 20-9-369.

(3) The department of revenue shall provide the superintendent of public instruction by December 1 of each year a final determination of the taxable value of property within each school district and county of the state reported to the department of revenue based on information delivered to the county clerk and recorder as required in 15-10-305."

Section 38. Section 20-9-406, MCA, is amended to read:

"**20-9-406. Limitations on amount of bond issue.** (1) (a) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which an elementary district or a high school district may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the taxable value of the property subject to taxation as ascertained by the last completed assessment for state, county, and school taxes previous to the incurring of the indebtedness~~, including:~~

~~(i) the taxable value of coal gross proceeds as determined for county bonding purposes in 15-23-703(2);~~

~~(ii) the taxable value of oil and gas net proceeds as determined for county bonding purposes in 15-23-607(3); and~~

~~(iii) the amount of the value of any other oil and gas production occurring after December 31, 1988, multiplied by 60%~~.

(b) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which a K-12 school district, as formed pursuant to 20-6-701, may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is up to 90% of the taxable value of the property subject to taxation as ascertained by the last-completed assessment for state, county,

and school taxes previous to the incurring of the indebtedness. The total indebtedness of the high school district with an attached elementary district ~~as represented by the issuance of bonds~~ must be limited to the sum of 45% of the taxable value of the property for elementary school program purposes and 45% of the taxable value of the property for high school program purposes.

(c) The maximum amount for which an elementary district or a high school district that qualifies for guaranteed tax base aid under the provisions of 20-9-367 may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the corresponding statewide mill value per ANB times 1,000 times the ANB of the district. For a K-12 district, the maximum amount for which the district may become indebted is 45% of the sum of the statewide mill value per elementary ANB times 1,000 times the elementary ANB of the district and the statewide mill value per high school ANB times 1,000 times the high school ANB of the district.

(2) The maximum amounts determined in subsection (1), however, may not pertain to indebtedness imposed by special improvement district obligations or assessments against the school district or to bonds issued for the repayment of tax protests lost by the district. All bonds issued in excess of the amount are void, except as provided in this section.

(3) When the total indebtedness of a school district has reached the limitations prescribed in this section, the school district may pay all reasonable and necessary expenses of the school district on a cash basis in accordance with the financial administration provisions of this chapter.

(4) Whenever bonds are issued for the purpose of refunding bonds, any money to the credit of the debt service fund for the payment of the bonds to be refunded is applied toward the payment of the bonds and the refunding bond issue is decreased accordingly."

Section 39. Section 20-9-439, MCA, is amended to read:

"20-9-439. **Computation of net levy requirement -- procedure when levy inadequate.** (1) The county superintendent shall compute the levy requirement for each school district's debt service fund on the basis of the following procedure:

(a) ~~determine~~ Determine the total money available in the debt service fund for the reduction of the property tax on the district by totaling:

(i) the end-of-the-year fund balance in the debt service fund, less any limited operating reserve as provided in 20-9-438;

(ii) anticipated interest to be earned by the investment of debt service cash in accordance with the provisions of 20-9-213(4) or by the investment of bond proceeds under the provisions of 20-9-435; and

(iii) any other money, including money from federal sources, anticipated by the trustees to be available in the debt service fund during the ensuing school fiscal year from such sources as legally authorized money transfers into the debt service fund or from rental income, excluding any guaranteed tax base aid.~~;~~

(b) ~~the~~ Subtract the total amount available to reduce the property tax, determined in subsection (1)(a), ~~must be subtracted~~ from the final budget ~~expenditure amount~~ for the debt service fund as established in 20-9-438~~;~~.

(c) Determine the number of mills to be levied on the taxable property in the district to finance the net debt service fund levy requirement by dividing the remainder determined in subsection (1)(b) by the sum of:

(i) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(ii) the taxable valuation of the district divided by 1,000.

(2) ~~the~~ The net debt service fund levy requirement determined in subsection ~~(1)(b)~~ (1)(c) must be reported to the county commissioners on the second Monday of August by the county superintendent as the net debt service fund levy requirement for the district, and a levy must be made by the county commissioners in accordance with 20-9-142.

~~(2)~~(3) If the board of county commissioners fails in any school fiscal year to make a levy for any issue or series of bonds of a school district sufficient to raise the money necessary for payment of interest and principal becoming due during the next ensuing school fiscal year, in any amounts established under the provisions of this section, the holder of any bond of the issue or series or any taxpayer of the district may apply to the district court of the county in which the school district is located for a writ of mandate to compel the board of county commissioners of the county to make a sufficient levy for such purposes. If, upon the hearing of the application, it appears to the satisfaction of the court that the board of county commissioners of the county has failed to make a levy or has made a levy that is insufficient to raise the amount required to be raised as established in the manner provided in this section, the court shall determine the amount of the deficiency and shall issue a writ of mandate directed to and requiring the board of county commissioners, at the next meeting for the purpose of fixing tax levies for county purposes, to fix and make a levy against all taxable property in the school district that is sufficient to raise the amount of the deficiency. The levy is in addition to any levy required to be made at that time for the ensuing school fiscal year. Any costs that may be allowed or awarded the petitioner in the proceeding must be paid by the members of the board of county commissioners and may not be a charge against the school district or the county."

Section 40. Section 20-9-507, "MCA, is amended to read:

"**20-9-507. Miscellaneous programs fund.** (1) The trustees of a district receiving money from local, state, federal, or other sources provided in 20-5-307(4), 20-5-312(8), and 20-9-321~~(3)~~ other than money under the provisions of Title I of Public Law 81-874 or federal money designated for deposit in a specific fund of the district shall establish a miscellaneous programs fund for the deposit of the money. The money may be a reimbursement of miscellaneous program fund expenditures already realized by the district or may be a grant of money for the financing of expenditures to be realized by the district for a special,

approved program to be operated by the district. When the money is a reimbursement, the money may be expended at the discretion of the trustees for school purposes. When the money is a grant, the money must be expended according to the conditions of the program approval by the superintendent of public instruction or any other approval agent. Within the miscellaneous programs fund, the trustees shall cause a separate accounting to be maintained for each federal grant program and for the aggregate of all reimbursement money.

(2) The financial administration of the miscellaneous programs fund must be in accordance with the financial administration provisions of this title for a nonbudgeted fund."

NEW SECTION. Section 41. **Qualifications for state guaranteed tax base aid to support debt service.** (1) To qualify for the guaranteed tax base aid per ANB for debt service described in 20-9-368, a school district, before issuing its bonds, must have:

(a) received voter approval for bonds pursuant to 20-9-421;

(b) following voter approval, received a certificate of eligibility from the board of public education, on or after [the effective date of this act], stating that after consultation with the superintendent of public instruction, the board has determined what percentage of the total principal amount of the proposed amount of the proposed bonds will be used to:

(i) restore, rebuild, or replace a destroyed or severely damaged school building;

(ii) correct one or more building deficiencies that affect the health and safety of school children;

(iii) correct one or more deficiencies that prevent the school district from meeting current accreditation standards; or

(iv) address any combination of circumstances described in subsections (1)(b)(i) through (1)(b)(iii).

(2) The superintendent of public instruction shall certify and notify the district of the amount, if any, of guaranteed tax base aid for which the district qualifies.

Section 42. Section 20-2-121, MCA, is amended to read:

"**20-2-121. Board of public education -- powers and duties.** The board of public education shall:

(1) effect an orderly and uniform system for teacher certification and specialist certification and for the issuance of an emergency authorization of employment by adopting the policies prescribed by 20-4-102 and 20-4-111;

(2) consider the suspension or revocation of teacher or specialist certificates and appeals from the denial of teacher or specialist certification in accordance with the provisions of 20-4-110;

(3) administer and order the distribution of ~~state equalization~~ BASE aid in accordance with the provisions of 20-9-344;

(4) adopt and enforce policies to provide uniform standards and regulations for the design, construction, and operation of school buses in accordance with the provisions of 20-10-111;

(5) approve or disapprove a reduction of the number of hours in a district's school day in accordance with the provisions of 20-1-302;

(6) adopt policies prescribing the conditions when school may be conducted on Saturday and the types of pupil-instruction-related days and approval procedure for such days in accordance with the provisions of 20-1-303 and 20-1-304;

(7) adopt standards of accreditation and establish the accreditation status of every school in accordance with the provisions of 20-7-101 and 20-7-102;

(8) approve or disapprove educational media selected by the superintendent of public instruction for the educational media library in accordance with the provisions of 20-7-201;

(9) adopt policies for the conduct of special education in accordance with the provisions of 20-7-402;

(10) adopt rules for issuance of documents certifying equivalency of completion of secondary education in accordance with 20-7-131;

(11) adopt policies for the conduct of programs for gifted and talented children in accordance with the provisions of 20-7-903 and 20-7-904;

(12) adopt rules for student assessment in the public schools; and

(13) perform any other duty prescribed from time to time by this title or any other act of the legislature."

{*Internal References to 20-2-121:*
x20-2-115 *a20-3-106*}

Section 43. Section 20-7-117, MCA, is amended to read:

"**20-7-117. Five-year-old schooling and preschool programs.** (1) The trustees of an elementary district shall establish or make available a program capable of accommodating, at a minimum, all the children in the district who will be 5 years old on or before September 10 of the school year for which the program is to be conducted or who have been enrolled by special permission of the board of trustees. The program must be an integral part of the elementary school and must be financed and governed accordingly, provided that to be eligible for inclusion in the calculation of ANB pursuant to 20-9-311, a child must have reached the age of 5 on or before September 10 of the school year covered by the calculation or have been enrolled by special permission of the board of trustees.

(2) The trustees of an elementary school district may establish and operate a free preschool program for children between the ages of 3 and 5 years. When preschool programs are established, they must be an integral part of the elementary school and must be governed accordingly. Financing of preschool programs may not be supported by money available from ~~state equalization~~ BASE aid."

{*Internal References to 20-7-117:*
a20-9-311 *x20-9-313*}

Section 44. Section 20-9-304, MCA, is amended to read:

"**20-9-304. Eligibility for and payment of state impact aid.** Any district which shall have children of employees of a public institution may be eligible for state impact aid under the following provisions:

(1) An "employee" means an employee of a public institution under the administration of the department of corrections and human services, as defined in 53-1-202, or the department of

family services, as defined in 2-15-2401, who resides on the property of such a public institution.

(2) A school district shall receive annually from moneys available for ~~state equalization~~ BASE aid $150 for each elementary pupil and $250 for each high school pupil whose parents are employees of an institution located in the school district where the pupil attends school or in a school district which has a tuition agreement with the district where the pupil attends school.

(3) A district which is eligible for state impact aid shall apply for such aid to the superintendent of public instruction in the manner prescribed by the rules prescribed by the superintendent of public instruction.

(4) The distribution of state impact aid shall be deposited in the general fund of the district and shall not be considered as a part of the ~~state equalization~~ BASE aid but shall be used to reduce the property tax in support of the general fund of the district."

{*Internal References to 20-9-304:*
a20-3-106 *a20-9-141*}

Section 45. Section 20-9-346, MCA, is amended to read:

"20-9-346. **Duties of the superintendent of public instruction for ~~state equalization~~ BASE aid distribution.** The superintendent of public instruction shall administer the distribution of the ~~state equalization~~ BASE aid by:

(1) establishing the annual entitlement of each district and county to ~~state equalization~~ BASE aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the ~~state equalization~~ BASE aid allocation procedure prescribed in 20-9-347;

(2) distributing by state warrant or electronic transfer the ~~state equalization~~ BASE aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for ~~state equalization~~ BASE aid, state advances for county equalization, and the entitlements for ~~state equalization~~ BASE aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for ~~state equalization~~ BASE aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of ~~state equalization~~ BASE aid during the preceding 2 school fiscal years;

(b) the amount of ~~state equalization~~ BASE aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for

~~state equalization~~ BASE aid; and

(e) the amount of state advances and repayment for county equalization.""

{*Internal References to 20-9-346:*
x5-11-210 *a20-3-106* *a20-9-347*}

Renumber: subsequent sections

127. Page 86, line 15.
Following: line 14
Insert: "(3)(a) Money in the impact aid fund may be transferred into the general fund to offset any levy amount in support of the BASE budget that exceeds:

(i) for the school fiscal year beginning July 1, 1993, the prior school fiscal year's statewide average permissive levy for all elementary school districts or all high school districts; or

(ii) for succeeding school fiscal years, the prior year's statewide average BASE budget levy for all elementary school districts or all high school districts.

(b) A district using Public Law 81-874 funds to support the local levy in the BASE budget shall levy the prior year's statewide average permissive levy as provided in subsection (3)(a) unless the net BASE is less than the income from the average mills in that district.

(c) By March 1 of each school fiscal year, the superintendent of public instruction shall calculate the prior year's statewide average permissive levy as provided in subsection (3)(a)."

128. Page 86, line 15 through page 89, line 13.
Strike: section 36 in its entirety
Renumber: subsequent sections

129. Page 89, line 15.
Following: line 14
Insert: "20-9-147,"

130. Page 89, line 25.
Strike: "school funding"
Insert: "equalization aid for schools"

131. Page 90, line 4.
Following: "refers"
Strike: "to"
Insert: "specifically to state"

132. Page 90, line 6.
Following: "instruction."
Insert: "(1)"

133. Page 90, lines 7 and 10.
Following: "~~AND~~"
Strike: ", 35, AND 36"
Insert: "and 46"

134. Page 90.

Following: line 10
Insert: "[Section 41] is intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20, chapter 9, apply to [section 41]."

135. Page 90, line 18.
Strike: "THROUGH (4)"
Insert: "and (3)"

136. Page 90, line 25 through page 91, line 3.
Strike: subsection (3) in its entirety
Renumber: subsequent subsection

137. Page 91, lines 4 and 5.
Following: "(4)" on line 4
Strike: remainder of line 4 through "," on line 5
Insert: "[Section 23]"

138. Page 91, line 6.
Following: "1994"
Insert: ", and applies retroactively, within the meaning of 1-2-109, to the school fiscal year beginning July 1, 1993"

139. Page 91.
Following: line 6
Insert: "(4) Sections relating to guaranteed tax base aid for the debt service of a district apply to bonds issued after July 1, 1993.

NEW SECTION. **Section 52. Coordination instruction.** (1) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-303, then [section 4 of Senate Bill No. 348] is void.

(2) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-311, then [section 5 of Senate Bill No. 348] is void.

(3) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-321, then [section 7 of Senate Bill No. 348] is void.

(4) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [sections 6 and 7 of this act] are void."

Renumber: subsequent section

140. Page 91, line 7.
Strike: "36"
Insert: "22"

141. Page 91, line 8.
Strike: "1995"
Insert: "1993"

SENATE STANDING COMMITTEE REPORT

April 13, 1993

MR. PRESIDENT:

We, your select committee on School Finance having had under consideration House Bill No. 667 (third reading copy -- blue), respectfully report that House Bill No. 667 be amended as follows and as so amended be concurred in.

Signed: _____
Senator Mike Halligan, Chair

That such amendments read:

1. Title, page 1, line 10.
Strike: "5"
Insert: "3"

2. Title, page 1, line 20.
Following: "ELIGIBLE;"
Insert: "REQUIRING VOTER APPROVAL TO EXCEED CERTAIN GENERAL FUND BUDGET GROWTH INCREMENTS UP TO THE BASE BUDGET AMOUNT FOR A DISTRICT IN THE 3 SCHOOL FISCAL YEARS FOLLOWING IMPLEMENTATION;"

3. Title, page 1, line 22 through page 2, line 3.
Following: "REVENUE" on line 22
Strike: remainder of line 22 through "TO" on page 2, line 3
Insert: "; REQUIRING VOTER APPROVAL FOR DISTRICT GENERAL FUND BUDGET GROWTH THAT EXCEEDS"

4. Title, page 2, line 6.
Following: "YEAR'S ANB;"
Insert: "REVISING THE METHOD OF CALCULATING GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS BY COMPARING A DISTRICT'S TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT TO THE STATEWIDE TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE STATEWIDE MAXIMUM GENERAL FUND BUDGET AMOUNT;"

5. Title, page 2, line 8.
Strike: "195"
Insert: "196"

6. Title, page 2, lines 11 through 13.
Following: "~~YEAR~~" on line 11
Strike: remainder of line 11 through "IMPLEMENTATION," on line 13
Insert: "FREEZE GENERAL FUND BUDGET GROWTH"

7. Title, page 2, line 18.
Following: "FUND;"
Insert: "EQUALIZING FUNDING FOR SCHOOL DISTRICT FACILITY NEEDS BY PROVIDING GUARANTEED TAX BASE AID FOR THE DEBT SERVICE FUND

OF A SCHOOL DISTRICT IF THE DISTRICT MILL VALUE PER ANB IS LESS THAN THE CORRESPONDING STATEWIDE MILL VALUE PER ANB; ALLOWING A DISTRICT THAT QUALIFIES FOR GUARANTEED TAX BASE AID TO INCUR INDEBTEDNESS UP TO 45 PERCENT OF THE STATEWIDE TAXABLE VALUE PER PUPIL MULTIPLIED BY THE DISTRICT'S ANB;"

8. Title, page 2, lines 24 and 25.
Strike: "STATE EQUALIZATION"
Insert: "BASE"

9. Title, page 2, line 25 through page 3, line 6.
Following: "AID;" on page 2, line 25
Strike: remainder of line 25 through "YEARS;" on page 3, line 6
Insert: "BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT FROM OCTOBER OF THE PREVIOUS YEAR;"

10. Title, page 3, line 8.
Following: "GRANT;"
Insert: "REMOVING CERTAIN CAPITAL OUTLAY COSTS FROM THE GENERAL FUND BUDGET;"
Following: "SECTIONS"
Insert: "20-2-121,"

11. Title, page 3, line 9.
Following: "20-5-312,"
Insert: "20-6-401, 20-6-406,"

12. Title, page 3, line 10.
Following: "20-6-702,"
Insert: "20-7-117,"
Following: "20-9-143,"
Strike: "20-9-147,"

13. Title, page 3, line 11.
Following: "20-9-303,"
Insert: "20-9-304,"

14. Title, page 3, line 12.
Following: "20-9-344,"
Insert: "20-9-346,"

15. Title, page 3, line 13.
Strike: "AND"
Following: "20-9-368,"
Insert: "20-9-369, 20-9-406, 20-9-439, AND 20-9-507,"

16. Title, page 3, line 14.
Following: "20-9-145,"
Insert: "20-9-147,"

17. Page 5.
Following: line 21
Insert: "(2) "BASE aid" means:
(a) direct state aid for any amount up to 40% of the basic entitlement and up to 40% of the total per-ANB entitlement budgeted in the general fund budget of a district; and
(b) guaranteed tax base aid for an eligible district for any amount up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted in the general fund budget of a district, and up to 40% of the special education allowable cost payment."
Renumber: subsequent subsections

18. Page 6, line 8.
Following: "districts"
Insert: "and special education allowable cost payments as provided in 20-9-321"

19. Page 6, line 11.
Following: "district"
Insert: "or K-12 district elementary program"

20. Page 6, line 15.
Following: "district"
Insert: "or K-12 district elementary program"

21. Page 6, lines 24 and 25.
Following: "district" on line 24
Strike: "and"
Insert: ","
Following: "district" on line 25
Insert: ", and special education allowable cost payments plus up to 53% of special education allowable cost payments"

22. Page 7, lines 5 through 13.
Strike: subsection (8) in its entirety
Renumber: subsequent subsections

23. Page 7, line 16.
Following: "district,"
Insert: "a maximum rate of"

24. Page 7, line 17.
Following: "ANB"

Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

25. Page 7, line 18.
Strike: "to"
Insert: "through"

26. Page 7, lines 18 and 19.
Page 8, lines 12 and 13.
Strike: "1,000"
Insert: "800"

27. Page 7, line 20.
Page 8, line 14.
Strike: "1,000TH"
Insert: "800th"

28. Page 7, line 21.
Following: "district"
Insert: "or a K-12 district elementary program"

29. Page 7, line 23.
Following: line 22
Insert: "a maximum rate"
Following: "ANB"
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

30. Page 7, line 24.
Strike: "to"
Insert: "through"

31. Page 8, line 2.
Following: "district"
Insert: "or a K-12 district elementary program"

32. Page 8, line 5
Following: "(i)"
Insert: "a maximum rate of"

33. Page 8, line 6.
Following: "6"
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"
Strike: "to"
Insert: "through"

34. Page 8, line 10.
Following: "(ii)"
Insert: "a maximum rate of"

35. Page 8, line 11.
Following: line 10
Insert: "is"
Following: "decreased"
Strike: "by"
Insert: "at the rate of"
Following: "cents"
Insert: "per ANB"

36. Page 8, line 12.
Following: "up"
Strike: "to"
Insert: "through"

37. Page 8, line 23.
Following: "through"
Strike: "state equalization"
Insert: "BASE"

38. Page 9, line 7.
Following: "title."
Insert: "Costs that may not be budgeted or paid from the general fund include but are not limited to bond principal and interest payments, the purchase of new and replacement buses, new construction, building addition expenses, land acquisitions, infrastructure expenses, and major building renovations.

(4) The provisions of subsection (3) do not prohibit a district from paying for the costs of routine or emergency repairs out of the general fund."
Renumber: subsequent subsection

39. Page 9, line 15.
Following: line 14
Insert: "(c) appropriations for special education;"
Renumber: subsequent subsections

40. Page 10, line 5.
Following: "(2)"
Insert: "(a)"

41. Page 10, line 9 through page 14, line 5.
Following: "district" on line 9
Strike: remainder of line 9 through page 14, line 5
Insert: "shall increase within 3 school fiscal years the general fund budget for the district by the greatest of:

(i) 104% of the previous year's general fund budget;

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; or

(iii) for the appropriate school fiscal year:

(A) 33.3% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;

(B) 50% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994; or

(C) the remainder of the range between the district general fund budget for the school fiscal year ending June 30, 1995, and the BASE budget for the district for the school fiscal year beginning July 1, 1995.

(b) Except for the school fiscal year beginning July 1, 1993, whenever the trustees of a district adopt a general fund budget that exceeds one of the limitations in subsection (2)(a) but does not exceed the BASE budget for the district, the trustees shall submit a proposition on the amount that exceeds the limitation to the electors of the district, as provided in 20-9-353.

(3) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district but does not exceed the maximum general fund budget for the district, the trustees shall:

(a) adopt a resolution stating the reasons and purposes for exceeding the BASE budget amount if the general fund budget adopted under this subsection (3) does not exceed the greater of:

(i) 104% of the previous year's general fund budget; or

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; or

(b) except for the school fiscal year beginning July 1, 1993, submit a proposition on any amount of the over-BASE budget levy that exceeds one of the limitations in subsection (3)(a) to the electors of the district, as provided in 20-9-353.

(4)(a) If the maximum general fund budget for a district for an ensuing school fiscal year is less than the general fund budget for the district for the current school fiscal year, the trustees of the district may not adopt a general fund budget for the ensuing school fiscal year that is greater than:

(i) the district's general fund budget for the current school fiscal year; or

(ii) the maximum general fund budget for the district for the ensuing school fiscal year.

(b) Except for the school fiscal year beginning July 1, 1993, the trustees of the district shall submit a proposition to raise any general fund budget amount that is in excess of the maximum general fund budget for the district to the electors who are qualified under 20-20-301 to vote on the proposition, as provided in 20-9-353.

(5) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the district, the trustees shall finance this amount with the following sources of revenue:

(a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible, as provided in 20-9-366 through 20-9-369;

(b) county equalization aid, as provided in 20-9-331 and 20-9-333;

(c) a district levy for support of a school not approved as an isolated school under the provisions of 20-9-302;

(d) payments in support of special education programs under the provisions of 20-9-321;

(e) nonlevy revenue as provided in 20-9-141; and

(f) a BASE budget levy on the taxable value of all property within the district.

(6) The over-BASE budget amount of a district must be financed by a levy on the taxable value of all property within the district or other revenue available to the district as provided in 20-9-141."

42. Page 16, line 2.
Following: "distribute"
Strike: "state equalization"
Insert: "BASE"

43. Page 29, line 18.
Following: "of"
Strike: "20-9-353"
Insert: "20-9-502"

44. Page 29, line 20.
Following: "building;"
Insert: "or"

45. Page 29, line 21 through page 30, line 2.
Strike: subsection (c) in its entirety
Renumber: subsequent subsection

46. Page 31, lines 16 through 18.
Following: "using" on line 16
Strike: remainder of line 16 through "ANB" on line 18
Insert: "each district's guaranteed tax base ratio, as defined in 20-9-366"

47. Page 31, lines 19 and 20.
Following: "levy" on line 19
Strike: remainder of line 19 through the second "levy" on line 20

48. Page 33, line 9.
Following: "be"
Insert: ": (a)"

49. Page 33, line 12.
Following: "ON"
Strike: "JULY 1"
Insert: "June 30"

50. Page 33, line 14.
Following: the first "THE"
Strike: "JULY 1, 1994"
Insert: "June 30, 1993"

51. Page 33, line 15.
Strike: "35"
Insert: "46"
Following: "]"
Insert: "; or"
(b) transferred at the end of the school fiscal year ending June 30, 1993, to the building reserve, transportation, or bus depreciation funds"

52. Page 33, line 25.
Strike: subsection (a) in its entirety
Renumber: subsequent subsections

53. Page 37, line 7 through page 41, line 15.
Strike: section 12 in its entirety
Renumber: subsequent sections

54. Page 44, line 4.
Strike: "SUBSECTION (1)(B)(II)"
Insert: "subsections (1)(b)(i) and (1)(b)(iii)"

55. Page 44, line 8.
Following: "~~act;~~"
Insert: "Public Law 81-874 funds transferred to the general fund from the impact aid fund as provided in [section 46]; (ii)"
Renumber: subsequent subsections

56. Page 45, line 20.
Following: "budget"
Strike: "levy"
Insert: "amount"

57. Page 45, line 21.
Following: "and"
Strike: "an"
Insert: "any"

58. Page 45, line 22.
Following: "levy"
Insert: "financing"

59. Page 46, line 6.
Following: "levied"
Insert: "and for Public Law 81-874 funds transferred to the general fund in lieu of levying mills"

60. Page 46, line 24.
Strike: "35"
Insert: "46"

61. Page 46, line 25 through page 48, line 8.
Strike: section 16 in its entirety
Renumber: subsequent sections

62. Page 50, lines 10 and 11.
Following: the first "expenditures" on line 10
Strike: remainder of line 10 through "year" on line 11

63. Page 50, line 17.
Following: "amendment."
Insert: "If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase."

64. Page 50, lines 19 through 21.
Following: "petition" on line 19
Strike: remainder of line 19 through "year" on line 21
Insert: "for the reason provided in 20-9-161(1) if the amount will cause the district to exceed the district's adjusted maximum general fund budget"

65. Page 53, line 25 through page 54, line 1.
Following: "~~program~~" on line 25
Strike: remainder of line 25 through "20-9-347" on page 54, line 1
Insert: "basic entitlement and total per-ANB entitlement, as defined in [section 1]"

66. Page 54, line 2.
Following: "~~one-half~~"
Strike: "BASE budget amount"
Insert: "one-half"

67. Page 54, line 9.
Strike: "accounting budget"
Insert: "program"

68. Page 54, lines 16 through 20.
Following: "3]." on line 16
Strike: remainder of line 16 through "title." on line 20
Following: "The"
Strike: "unexpended balance"
Insert: "amount"

69. Page 54, lines 21 and 22.
Following: line 20
Strike: line 21 through the second "to"
Insert: "allowable cost payments that is not matched with district funds, as required in 20-9-321, will"
Strike: the first "the" on line 22 through "finance"

Insert: "by a like amount"

70. Page 56, lines 12 through 19.
Strike: lines 12 through 19
Insert: "as follows:
(a) count the regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year; and
(b) multiply the enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school year and divide by 180.
(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.
(3) When"

71. Page 56, line 21.
Following: "total"
Insert: "ANB"

72. Page 56, lines 22 through 25.
Following: "20-9-805." on line 22
Strike: remainder of lines 22 through 25
Insert: "(4)"

73. Page 57, line 3.
Following: "."
Insert: "(5)"

74. Page 57, lines 4 and 5
Following: "at" on line 4
Strike: remainder of line 4 through "from" on line 5

75. Page 57, lines 7 and 8.
Following: "one-half" on line 7
Strike: remainder of line 7 through "be" on line 8
Insert: "a pupil for ANB purposes"

76. Page 57, line 11.
Following: "ANB"
Insert: "for a kindergarten student"

77. Page 57, line 12.
Following: "pupil."
Insert: "(6)"

78. Page 57, lines 14 and 15.
Following: "the" on line 14
Strike: remainder of line 14 through "absence" on line 15
Insert: "pupil"

79. Page 57, lines 15 through 17.
Following: "in the" on line 15
Strike: remainder of line 15 through the first "the" on line 17
Insert: "count"

80. Page 57, lines 18 and 19.
Following: "ANB" on line 18
Strike: remainder of line 18 through "school" on line 19
Insert: "unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided for in 20-7-117, may not be included in the ANB calculations

81. Page 58, line 3.
Following: line 2
Insert: "(8) If a student spends less than half the time in the regular program and the balance of the time in school in the special education program, the student is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of the time in school in the regular program and the balance of the time in the special education program, the student is considered regularly enrolled for ANB purposes."
Renumber: subsequent subsections

82. Page 59, line 16.
Following: line 15
Insert: "(11) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent of public instruction."

83. Page 62, line 8.
Following: line 7
Insert: "(7)(a) Immediately upon completion of the October enrollment count provided for in 20-9-311, the district clerk of a school district that anticipated an enrollment increase and, accordingly, increased the district ANB under the provisions of this section shall recalculate the district BASE budget and the maximum general fund budget in accordance with [section 3], using the October enrollment

count. If the actual enrollment is less than the anticipated enrollment, the district clerk shall recalculate the district levy requirement and notify the county superintendent, county assessor, and county treasurer of the reduced levy requirement.

(b) At the next regularly scheduled meeting of the board of trustees of the district, the trustees shall adopt a revised budget and notify the superintendent of public instruction and the county superintendent of schools of the revised budget and levy requirements."

84. Page 63, lines 12 through 19.
Strike: subsection (3) in its entirety
Renumber: subsequent subsections

85. Page 64, line 18.
Strike: "(4)"
Insert: "(3)"

86. Page 65, line 19.
Strike: "(4)"
Insert: "(3)"

87. Page 65.
Following: line 24
Insert: "Section 23. Section 20-9-321, MCA, is amend to read:

"20-9-321. ~~Foundation program and contingency funds~~ Allowable cost payment for special education. (1) For the purpose of establishing the ~~foundation program amount~~ allowable cost payment for a current year special education program for a school district, the superintendent of public instruction shall determine the total ~~estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program~~ special education payment for special education services to a school district, cooperative, or joint board formed under 20-3-361 prior to July 1, 1992, using the following factors:

(a) the ~~estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431~~ district ANB student count as established pursuant to 20-9-311 and 20-9-313; ~~and~~

(b) ~~the number of pupils expected to be enrolled in the program~~ a per-ANB amount for the special education instructional block grant;

(c) a per-ANB amount for the special education related services block grant;

(d) weighted cost factors for cooperatives or joint boards meeting the requirements of 20-7-457, to compensate for the additional costs of operations and maintenance, travel, supportive services, recruitment, and administration;

(e) district and cooperative expenditure reports; and

~~(c)~~ (f) any other data required by the superintendent of public instruction ~~for budget justification purposes and~~ to administer the provisions ~~of 20-9-315 through 20-9-321~~ this section.

(2) ~~The total amount of allowable costs approved by the superintendent of public instruction is the special education foundation program amount allowable cost payment for current year special education program purposes. The total amount of allowable costs that are approved for the special education budget may not, under any condition, be less than the foundation program amount for one regular ANB for each full-time special pupil in the school district.~~ Special education allowable cost payments must be granted to each school district and cooperative with a special education program as follows:

(a) An instructional block grant must be awarded to each school district, based on the district ANB and the per-ANB special education instructional amount.

(b) A special education related services block grant must be awarded to each school district that is not a cooperative member, based on the district ANB and the per-ANB special education related services amount. The special education related services block grant amount for districts that are members of approved cooperatives or a joint board must be awarded to the cooperatives or joint board. If a cooperative or joint board meets the requirements of 20-7-457, the special education related services block grant must be weighted for the factors in subsection (1)(d).

(3) The superintendent of public instruction shall annually determine the per-ANB special education instructional and special education related services block grant amounts based on the prior years' trustees' expenditure data for special education instruction and related services.

(4) The superintendent of public instruction shall adopt rules necessary to implement this section.

(5) A district shall provide a 25% local contribution for special education, matching every $3 of state special education instructional and special education related services block grants with at least one local dollar. A district that is a cooperative member is required to provide the 25% match of the special education related services grant amount to the special education cooperative, but the district is not required to match the weighted funding factors.

(6) The superintendent of public instruction shall

determine the actual district match based on the trustees' reports. Any unmatched portion reverts to the state and must be subtracted from the district's ensuing year's foundation program payment.

(7) If a district's allowable costs of special education, as verified by the trustees' reports, exceed by at least 10% the total of the special education instructional and special education related services block grant plus the required district match, the district is eligible for a 65% reimbursement of the costs that exceed the additional 10%. A district that demonstrates severe economic hardship because of exceptional special education costs may apply to the superintendent of public instruction for an advance on the reimbursement for the year in which the actual costs will be incurred.

~~(3)~~ (8) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in ~~subsection (4)~~ 20-9-507.

~~(4) If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district foundation program budget for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the foundation program amount allowable cost payment for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.~~

~~(5) (a) The special education contingency funds in subsection (4):~~

~~(i) are biennially appropriated;~~

~~(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and~~

~~(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.~~

~~(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.~~

~~(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program amount for special education must be added to the foundation program amount of the regular program ANB defined in 20-9-311 and 20-9-313 to obtain the total foundation program amount for the district.~~""
Renumber: subsequent sections

88. Page 68, lines 11 and 19.
Page 70, line 14.
Page 71, lines 1, 6, 12, 15, 16 and 17, and 23.
Page 72, lines 5 and 6, 10 and 11, 17 and 18, and 21.
Page 73, lines 13 and 14 and 16.
Page 75, lines 12, 15, and 23.
Page 76, lines 4, 11, 17, and 22.
Page 77, lines 5 and 6, 7 and 8, and 21.
Page 78, lines 10, 24, and 25.
Page 79, lines 4 and 5 and 11.
Strike: "state equalization" or "state equalization" or "STATE EQUALIZATION"
Insert: "BASE"

89. Page 68, lines 4 and 5.
Strike: "account" or "account"

90. Page 68, line 11.
Following: "~~program~~"
Insert: "guaranteed tax base aid,"
Following: "aid"
Insert: "and"

91. Page 68, line 13.
Following: "GRANT"
Strike: ","

92. Page 68, line 19.
Following: "~~foundation~~"
Insert: "guaranteed tax base aid,"

93. Page 68, line 20.
Following: "~~,~~"
Insert: ","

94. Page 78, line 8.
Following: "for"
Strike: "state"
Insert: "BASE aid"

95. Page 78, lines 19 and 20.
Following: "the" on line 19
Strike: "state" through "equalization" on line 20
Insert: "BASE"
Following: "money" on line 20
Insert: ", state special education appropriation,"

96. Page 79, line 4.
Following: "~~20-9-369~~"
Insert: "guaranteed tax base aid required under 20-9-366 through 20-9-369 and"

97. Page 79, line 15.
Following: "Additional"
Strike: "levy"
Insert: "financing"

98. Page 80, line 5.
Following: "SECTION 3"
Strike: "(3)(B)"
Insert: "(4)(b)"

99. Page 80, line 10.
Following: "proposition"
Strike: remainder of line 10
Insert: "to finance"

100. Page 80, lines 19 and 20.
Following: "be" on line 19
Strike: remainder of line 19 through "taxation" on line 20
Insert: "financed"
Following: "raise" on line 20
Insert: "all or a portion of"

101. Page 80, lines 24 and 25.
Following: "Shall" on line 24
Strike: remainder of line 24 through "necessary" on line 25
Insert: "the district be authorized"

102. Page 81, lines 1 and 2.
Following: "raised" on line 1
Strike: remainder of line 1 through "levy" on line 2

103. Page 81, line 4.
Strike: "tax levy"
Insert: "financing"

104. Page 81, lines 5 and 6.
Strike: "the"
Insert: "budget authority and any "

105. Page 81, line 7.
Following: "additional"
Strike: "levy"
Insert: "financing"

106. Page 81, line 12.
Following: "certify"
Strike: "the"
Insert: "any"

107. Page 81, line 24.
Strike: "CHOOSE TO OR"

108. Page 81, line 25.
Strike: "FOR"
Insert: "to finance a base budget amount, as provided in [section 3(2)(b)], or"

109. Page 82, line 1.
Strike: "LEVY"
Insert: "amount, as provided in [section 3(3)(b)],"

110. Page 82, lines 1 and 2.
Strike: "AS" on line 1 through "3]" on line 2

111. Page 82, line 16.
Following: "(2)"
Insert: "(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the BASE budget of an eligible district means the taxable valuation in the previous year of all

property in the district divided by 40% of the district's current year maximum general fund budget.

(b)

Following: "ANB""
Insert: ", for debt service and retirement purposes,"

112. Page 83, line 5.
Following: "~~and~~"
Insert: "debt service and"

113. Page 83, lines 13 and 14.
Following: "Statewide" on line 13
Strike: remainder of line 13 through "ANB" on line 14
Insert: "guaranteed tax base ratio for elementary districts or statewide guaranteed tax base ratio for high school districts"

114. Page 83, line 18.
Strike: "195%"
Insert: "196%"
Following: "and"
Strike: remainder of line 18

115. Page 83, lines 19 and 20.
Following: "by" on line 19
Insert: "40% of"
Following: "state" on line 19
Strike: remainder of line 19 through line 20

116. Page 83, line 22.
Strike: "per-ANB entitlement"
Insert: "maximum general fund budget"

117. Page 83, line 25.
Strike: "taxable value per ANB"
Insert: "guaranteed tax base ratio"

118. Page 84, lines 2 and 3.
Following: "~~mill~~" on line 2
Strike: remainder of line 2 through the second "ANB" on line 3
Insert: "guaranteed tax base ratio for elementary districts or statewide guaranteed tax base ratio for high school districts"

119. Page 84, line 4.
Following: "levied"
Insert: ", including mills that would have been levied had the district not elected to transfer Public Law 81-874 funds to the general fund in lieu of levying the mills,"

120. Page 84, line 10.
Strike: "or"
Insert: ", the"

121. Page 84, line 11.
Following: "ANB"
Insert: ", or the district taxable value per ANB"

122. Page 85, line 10.
Strike: "per ANB"

123. Page 85, lines 12 and 14.
Following: "entitlement" on line 12
Strike: "and"
Insert: ","
Following: "budget" on line 14
Insert: ", and up to 40% of the special education payment"

124. Page 85, lines 14 through 18.
Following: "is" on line 14
Strike: remainder of line 14 through "budget" on line 18
Insert: "calculated in the following manner:
(a) multiply 40% of the district's current year maximum general fund budget amount by the corresponding statewide guaranteed tax base ratio;
(b) subtract the taxable valuation of the district from the product obtained in subsection (3)(a); and
(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied"

125. Page 85, line 19.
Following: line 18
Insert: "(4) The amount of guaranteed tax base aid per ANB that a district may receive in support of its debt service fund budget is subject to the provisions of [section 41] and is the difference between the district mill value per ANB and the corresponding statewide mill value per ANB, multiplied by the number of mills levied in support of the district's debt service fund budget and multiplied by the percentage of the total principal amount of its proposed bond amount that meets the requirements of [section 41(1)(b)]."
Renumber: subsequent subsection

126. Page 86, line 4.
Following: line 3
Insert: "Section 34. Section 20-6-401, MCA, is amended to read:
"20-6-401. Definitions. As used in this part, unless the

context clearly indicates otherwise, the following definitions apply:

(1) "Component districts" means the elementary or high school districts incorporated into the enlarged district.

(2) "Eligible pupils" means the average number belonging (ANB) in the operating schools of the component districts and the tuition pupils residing in the component districts and attending another district's school under the tuition provisions of the school laws, except that the pupils residing in the component district having the largest total number of pupils are ineligible for bonus payment consideration.

(3) "Enlarged district" means the elementary or high school district resulting from the consolidation or annexation of two or more component districts.

(4) "General bonus payment" for first- and second-class school districts must be $450 per eligible pupil per year for a period of 3 years ~~and must be deposited in the enlarged district's general fund~~. General bonus payment for third-class school districts must be $750 per eligible pupil per year for a period of 3 years ~~and must be deposited in the enlarged district's general fund~~. The general bonus payment must be made from the state school equalization aid account.

(5) "Transportation bonus payment" is the provision of 66 2/3% state financing of the on-schedule transportation amount as provided by the transportation provisions of the school laws. When an eligible pupil is entitled to transportation, the enlarged district is entitled to the transportation bonus payment for the eligible pupil for a period of 3 years. The payment must be made from the state transportation aid account. When the eligible pupil rides a bus providing transportation for ineligible pupils, the 66 2/3% state financing of the on-schedule amount for this payment must be prorated to provide financing for the eligible pupil."

Section 35. Section 20-6-406, MCA, is amended to read:

"**20-6-406. Disbursal and deposit of bonus payments.** On or before June 30 of the next 3 consecutive years following the year of application, the superintendent of public instruction shall disburse the bonus payments for approved applications to the enlarged school district, and such disbursement is statutorily appropriated as provided in 17-7-502. The general bonus payment shall be deposited by the county treasurer in the enlarged district's general fund or building reserve fund, and the transportation bonus payment shall be deposited by the county treasurer in the transportation fund. These bonus payments shall not be considered as a part of the regular ~~state equalization~~ BASE aid or state transportation aid received by the enlarged district."

Section 36. Section 20-9-311, MCA, is amended to read:

"20-9-311. Calculation of average number belonging (ANB). (1) Average number belonging (ANB) must be computed ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180~~ as follows:

(a) compute an average enrollment by adding a count of regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divided by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) ~~However, when~~ When a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days and 7 pupil-instruction-related days.~~

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half ~~day attended or absent as the case may be~~ pupil for ANB purposes. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB for a kindergarten student may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his absence after the 10th day of absence~~ the pupil may not be included in the ~~aggregate days of absence and his~~ enrollment ~~in the school may not be considered~~ count used in the calculation of the ~~average number belonging~~

~~until he resumes attendance at school~~ ANB unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~ (8) The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

~~(a) (i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes; or~~

~~(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes;~~

~~(b)~~ (a) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

~~(c)~~ (b) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~ (c) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~ (9) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction

with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent."

Section 37. Section 20-9-369, "MCA, is amended to read:

"20-9-369. Duties of superintendent of public instruction and department of revenue. (1) The superintendent of public instruction shall administer the distribution of guaranteed tax base aid by:

(a) providing each school district and county superintendent, by March 1 of each year, with the preliminary statewide ~~and county mill values per ANB~~ guaranteed tax base ratios and, by May 1 of each year, with the final statewide~~,~~ and district~~, and county mill values per ANB~~ guaranteed tax base ratios, for use in calculating the guaranteed tax base aid available for the ensuing school fiscal year;

(b) providing each county superintendent, by March 1 of each year, with the preliminary statewide and county mill values per ANB and, by May 1 of each year, with the final statewide and county mill values per ANB, for use in calculating the guaranteed tax base aid available to counties for the ensuing school fiscal year;

~~(b)~~(c) requiring each county and district that qualifies and applies for guaranteed tax base aid to report to the county superintendent all budget and accounting information required to administer the guaranteed tax base aid;

~~(c)~~(d) keeping a record of the complete data concerning appropriations available for guaranteed tax base aid and the entitlements for ~~such~~ the aid of the counties and districts that qualify;

~~(d)~~(e) distributing the guaranteed tax base aid entitlement to each qualified county or district from the appropriations for that purpose.

(2) The superintendent shall adopt rules necessary to implement 20-9-366 through 20-9-369.

(3) The department of revenue shall provide the superintendent of public instruction by December 1 of each year a final determination of the taxable value of property within each school district and county of the state reported to the department of revenue based on information delivered to the county clerk and recorder as required in 15-10-305."

Section 38. Section 20-9-406, MCA, is amended to read:

"20-9-406. Limitations on amount of bond issue. (1) (a) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which an elementary district or a high school district may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the taxable value of the property subject to taxation as ascertained by the last completed

assessment for state, county, and school taxes previous to the incurring of the indebtedness~~, including:~~

~~(i) the taxable value of coal gross proceeds as determined for county bonding purposes in 15-23-703(2);~~

~~(ii) the taxable value of oil and gas net proceeds as determined for county bonding purposes in 15-23-607(3); and~~

~~(iii) the amount of the value of any other oil and gas production occurring after December 31, 1988, multiplied by 60%.~~

(b) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which a K-12 school district, as formed pursuant to 20-6-701, may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is up to 90% of the taxable value of the property subject to taxation as ascertained by the last-completed assessment for state, county, and school taxes previous to the incurring of the indebtedness. The total indebtedness of the high school district with an attached elementary district ~~as represented by the issuance of bonds~~ must be limited to the sum of 45% of the taxable value of the property for elementary school program purposes and 45% of the taxable value of the property for high school program purposes.

(c) The maximum amount for which an elementary district or a high school district that qualifies for guaranteed tax base aid under the provisions of 20-9-367 may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the corresponding statewide mill value per ANB times 1,000 times the ANB of the district. For a K-12 district, the maximum amount for which the district may become indebted is 45% of the sum of the statewide mill value per elementary ANB times 1,000 times the elementary ANB of the district and the statewide mill value per high school ANB times 1,000 times the high school ANB of the district.

(2) The maximum amounts determined in subsection (1), however, may not pertain to indebtedness imposed by special improvement district obligations or assessments against the school district or to bonds issued for the repayment of tax protests lost by the district. All bonds issued in excess of the amount are void, except as provided in this section.

(3) When the total indebtedness of a school district has reached the limitations prescribed in this section, the school district may pay all reasonable and necessary expenses of the school district on a cash basis in accordance with the financial administration provisions of this chapter.

(4) Whenever bonds are issued for the purpose of refunding bonds, any money to the credit of the debt service fund for the payment of the bonds to be refunded is applied toward the payment

of the bonds and the refunding bond issue is decreased accordingly."

Section 39. Section 20-9-439, MCA, is amended to read:

"**20-9-439. Computation of net levy requirement -- procedure when levy inadequate.** (1) The county superintendent shall compute the levy requirement for each school district's debt service fund on the basis of the following procedure:

(a) ~~determine~~ Determine the total money available in the debt service fund for the reduction of the property tax on the district by totaling:

(i) the end-of-the-year fund balance in the debt service fund, less any limited operating reserve as provided in 20-9-438;

(ii) anticipated interest to be earned by the investment of debt service cash in accordance with the provisions of 20-9-213(4) or by the investment of bond proceeds under the provisions of 20-9-435; and

(iii) any other money, including money from federal sources, anticipated by the trustees to be available in the debt service fund during the ensuing school fiscal year from such sources as legally authorized money transfers into the debt service fund or from rental income, excluding any guaranteed tax base aid.~~,~~

(b) ~~the~~ Subtract the total amount available to reduce the property tax, determined in subsection (1)(a), ~~must be subtracted~~ from the final budget ~~expenditure amount~~ for the debt service fund as established in 20-9-438~~,~~.

(c) Determine the number of mills to be levied on the taxable property in the district to finance the net debt service fund levy requirement by dividing the remainder determined in subsection (1)(b) by the sum of:

(i) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(ii) the taxable valuation of the district divided by 1,000.

(2) ~~the~~ The net debt service fund levy requirement determined in subsection ~~(1)(b)~~ (1)(c) must be reported to the county commissioners on the second Monday of August by the county superintendent as the net debt service fund levy requirement for the district, and a levy must be made by the county commissioners in accordance with 20-9-142.

~~(2)~~(3) If the board of county commissioners fails in any school fiscal year to make a levy for any issue or series of bonds of a school district sufficient to raise the money necessary for payment of interest and principal becoming due during the next ensuing school fiscal year, in any amounts established under the provisions of this section, the holder of any bond of the issue or series or any taxpayer of the district may apply to the district court of the county in which the school

district is located for a writ of mandate to compel the board of county commissioners of the county to make a sufficient levy for such purposes. If, upon the hearing of the application, it appears to the satisfaction of the court that the board of county commissioners of the county has failed to make a levy or has made a levy that is insufficient to raise the amount required to be raised as established in the manner provided in this section, the court shall determine the amount of the deficiency and shall issue a writ of mandate directed to and requiring the board of county commissioners, at the next meeting for the purpose of fixing tax levies for county purposes, to fix and make a levy against all taxable property in the school district that is sufficient to raise the amount of the deficiency. The levy is in addition to any levy required to be made at that time for the ensuing school fiscal year. Any costs that may be allowed or awarded the petitioner in the proceeding must be paid by the members of the board of county commissioners and may not be a charge against the school district or the county."

Section 40. Section 20-9-507, "MCA, is amended to read:

"**20-9-507. Miscellaneous programs fund.** (1) The trustees of a district receiving money from local, state, federal, or other sources provided in 20-5-307(4), 20-5-312(8), and 20-9-321~~(3)~~ other than money under the provisions of Title I of Public Law 81-874 or federal money designated for deposit in a specific fund of the district shall establish a miscellaneous programs fund for the deposit of the money. The money may be a reimbursement of miscellaneous program fund expenditures already realized by the district or may be a grant of money for the financing of expenditures to be realized by the district for a special, approved program to be operated by the district. When the money is a reimbursement, the money may be expended at the discretion of the trustees for school purposes. When the money is a grant, the money must be expended according to the conditions of the program approval by the superintendent of public instruction or any other approval agent. Within the miscellaneous programs fund, the trustees shall cause a separate accounting to be maintained for each federal grant program and for the aggregate of all reimbursement money.

(2) The financial administration of the miscellaneous programs fund must be in accordance with the financial administration provisions of this title for a nonbudgeted fund."

NEW SECTION. **Section 41. Qualifications for state guaranteed tax base aid to support debt service.** (1) To qualify for the guaranteed tax base aid per ANB for debt service described in 20-9-368, a school district, before issuing its bonds, must have:

(a) received voter approval for bonds pursuant to 20-9-421;

(b) following voter approval, received a certificate of

eligibility from the board of public education, on or after [the effective date of this act], stating that after consultation with the superintendent of public instruction, the board has determined what percentage of the total principal amount of the proposed amount of the proposed bonds will be used to:

(i) restore, rebuild, or replace a destroyed or severely damaged school building;

(ii) correct one or more building deficiencies that affect the health and safety of school children;

(iii) correct one or more deficiencies that prevent the school district from meeting current accreditation standards; or

(iv) address any combination of circumstances described in subsections (1)(b)(i) through (1)(b)(iii).

(2) The superintendent of public instruction shall certify and notify the district of the amount, if any, of guaranteed tax base aid for which the district qualifies.

Section 42. Section 20-2-121, MCA, is amended to read:

"**20-2-121. Board of public education -- powers and duties.** The board of public education shall:

(1) effect an orderly and uniform system for teacher certification and specialist certification and for the issuance of an emergency authorization of employment by adopting the policies prescribed by 20-4-102 and 20-4-111;

(2) consider the suspension or revocation of teacher or specialist certificates and appeals from the denial of teacher or specialist certification in accordance with the provisions of 20-4-110;

(3) administer and order the distribution of ~~state equalization~~ BASE aid in accordance with the provisions of 20-9-344;

(4) adopt and enforce policies to provide uniform standards and regulations for the design, construction, and operation of school buses in accordance with the provisions of 20-10-111;

(5) approve or disapprove a reduction of the number of hours in a district's school day in accordance with the provisions of 20-1-302;

(6) adopt policies prescribing the conditions when school may be conducted on Saturday and the types of pupil-instruction-related days and approval procedure for such days in accordance with the provisions of 20-1-303 and 20-1-304;

(7) adopt standards of accreditation and establish the accreditation status of every school in accordance with the provisions of 20-7-101 and 20-7-102;

(8) approve or disapprove educational media selected by the superintendent of public instruction for the educational media library in accordance with the provisions of 20-7-201;

(9) adopt policies for the conduct of special education in accordance with the provisions of 20-7-402;

(10) adopt rules for issuance of documents certifying equivalency of completion of secondary education in accordance with 20-7-131;

(11) adopt policies for the conduct of programs for gifted and talented children in accordance with the provisions of 20-7-903 and 20-7-904;

(12) adopt rules for student assessment in the public schools; and

(13) perform any other duty prescribed from time to time by this title or any other act of the legislature."

Section 43. Section 20-7-117, MCA, is amended to read:

"**20-7-117. Five-year-old schooling and preschool programs.** (1) The trustees of an elementary district shall establish or make available a program capable of accommodating, at a minimum, all the children in the district who will be 5 years old on or before September 10 of the school year for which the program is to be conducted or who have been enrolled by special permission of the board of trustees. The program must be an integral part of the elementary school and must be financed and governed accordingly, provided that to be eligible for inclusion in the calculation of ANB pursuant to 20-9-311, a child must have reached the age of 5 on or before September 10 of the school year covered by the calculation or have been enrolled by special permission of the board of trustees.

(2) The trustees of an elementary school district may establish and operate a free preschool program for children between the ages of 3 and 5 years. When preschool programs are established, they must be an integral part of the elementary school and must be governed accordingly. Financing of preschool programs may not be supported by money available from ~~state equalization~~ BASE aid."

Section 44. Section 20-9-304, MCA, is amended to read:

"**20-9-304. Eligibility for and payment of state impact aid.** Any district which shall have children of employees of a public institution may be eligible for state impact aid under the following provisions:

(1) An "employee" means an employee of a public institution under the administration of the department of corrections and human services, as defined in 53-1-202, or the department of family services, as defined in 2-15-2401, who resides on the property of such a public institution.

(2) A school district shall receive annually from moneys available for ~~state equalization~~ BASE aid $150 for each elementary pupil and $250 for each high school pupil whose parents are employees of an institution located in the school district where the pupil attends school or in a school district

which has a tuition agreement with the district where the pupil attends school.

(3) A district which is eligible for state impact aid shall apply for such aid to the superintendent of public instruction in the manner prescribed by the rules prescribed by the superintendent of public instruction.

(4) The distribution of state impact aid shall be deposited in the general fund of the district and shall not be considered as a part of the ~~state equalization~~ BASE aid but shall be used to reduce the property tax in support of the general fund of the district."

Section 45. Section 20-9-346, MCA, is amended to read:

"**20-9-346. Duties of the superintendent of public instruction for ~~state equalization~~ BASE aid distribution.** The superintendent of public instruction shall administer the distribution of the ~~state equalization~~ BASE aid by:

(1) establishing the annual entitlement of each district and county to ~~state equalization~~ BASE aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the ~~state equalization~~ BASE aid allocation procedure prescribed in 20-9-347;

(2) distributing by state warrant or electronic transfer the ~~state equalization~~ BASE aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for ~~state equalization~~ BASE aid, state advances for county equalization, and the entitlements for ~~state equalization~~ BASE aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for ~~state equalization~~ BASE aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of ~~state equalization~~ BASE aid during the preceding 2 school fiscal years;

(b) the amount of ~~state equalization~~ BASE aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for ~~state equalization~~ BASE aid; and

(e) the amount of state advances and repayment for county equalization.""
Renumber: subsequent sections

127. Page 86, line 15.
Following: line 14
Insert: "(3)(a) Money in the impact aid fund may be transferred into the general fund to offset any levy amount in support of the BASE budget that exceeds:

(i) for the school fiscal year beginning July 1, 1993, the prior school fiscal year's statewide average permissive levy for all elementary school districts or all high school districts; or

(ii) for succeeding school fiscal years, the prior year's statewide average BASE budget levy for all elementary school districts or all high school districts.

(b) A district using Public Law 81-874 funds to support the local levy in the BASE budget shall levy the prior year's statewide average permissive levy as provided in subsection (3)(a) unless the net BASE is less than the income from the average mills in that district.

(c) By March 1 of each school fiscal year, the superintendent of public instruction shall calculate the prior year's statewide average permissive levy as provided in subsection (3)(a)."

128. Page 86, line 15 through page 89, line 13.
Strike: section 36 in its entirety
Renumber: subsequent sections

129. Page 89, line 15.
Following: line 14
Insert: "20-9-147,"

130. Page 89, line 25.
Strike: "school funding"
Insert: "equalization aid for schools"

131. Page 90, line 4.
Following: "refers"
Strike: "to"
Insert: "specifically to state"

132. Page 90, line 6.
Following: "instruction."
Insert: "(1)"

133. Page 90, lines 7 and 10.
Following: "~~AND~~"

Strike: ", 35, AND 36"
Insert: "and 46"

134. Page 90.
Following: line 10
Insert: "[Section 41] is intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20, chapter 9, apply to [section 41]."

135. Page 90, line 18.
Strike: "THROUGH (4)"
Insert: "and (3)"

136. Page 90, line 25 through page 91, line 3.
Strike: subsection (3) in its entirety
Renumber: subsequent subsection

137. Page 91, lines 4 and 5.
Following: "(4)" on line 4
Strike: remainder of line 4 through "," on line 5
Insert: "[Section 23]"

138. Page 91, line 6.
Following: "1994"
Insert: ", and applies retroactively, within the meaning of 1-2-109, to the school fiscal year beginning July 1, 1993"

139. Page 91.
Following: line 6
Insert: "(4) Sections relating to guaranteed tax base aid for the debt service of a district apply to bonds issued after July 1, 1993.

NEW SECTION. **Section 52. Coordination instruction.** (1) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-303, then [section 4 of Senate Bill No. 348] is void.

(2) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-311, then [section 5 of Senate Bill No. 348] is void.

(3) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-321, then [section 7 of Senate Bill No. 348] is void.

(4) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [sections 6 and 7 of this act] are void."

Renumber: subsequent section

140. Page 91, line 7.

Strike: "36"
Insert: "22"

141. Page 91, line 8.
Strike: "1995"
Insert: "1993"

-END-

HOUSE BILL NO. 667

INTRODUCED BY FAGG, SIMPKINS, BOHARSKI, COBB

BY REQUEST OF THE HOUSE SELECT COMMITTEE ON EDUCATION

A BILL FOR AN ACT ENTITLED: "AN ACT EQUALIZING THE STUDENT AND TAXPAYER EQUITY FOR MONTANA PUBLIC K-12 EDUCATION BY RESTRUCTURING THE FUNDING AND BUDGET MECHANISMS FOR SCHOOL DISTRICT GENERAL FUND BUDGETS; CALCULATING A MAXIMUM GENERAL FUND BUDGET FOR EACH DISTRICT BASED ON A BASIC ENTITLEMENT AND A TOTAL PER-ANB ENTITLEMENT; ALLOWING A DISTRICT UP TO 5 3 YEARS TO BUDGET 80 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT, DESIGNATED AS THE BASE AMOUNT FOR SCHOOL EQUITY (BASE) BUDGET FOR THE DISTRICT; PROVIDING THAT 45 40 PERCENT OF THE BASIC ENTITLEMENT AND 45 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH DIRECT STATE AID AND THAT 35 40 PERCENT OF THE BASIC ENTITLEMENT AND 35 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH LOCAL REVENUE SOURCES AND GUARANTEED TAX BASE AID IF THE DISTRICT IS ELIGIBLE; REQUIRING VOTER APPROVAL TO EXCEED CERTAIN GENERAL FUND BUDGET GROWTH INCREMENTS UP TO THE BASE BUDGET AMOUNT FOR A DISTRICT IN THE 3 SCHOOL FISCAL YEARS FOLLOWING IMPLEMENTATION; PROVIDING THAT THE REMAINING 20 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET OF A DISTRICT BE FUNDED WITH LOCAL REVENUE ~~WITHOUT WITH--THE--OPTION--OF LOCAL--VOTER APPROVAL FOR--UP--TO-90-PERCENT-OF-THE-MAXIMUM-GENERAL-FUND BUDGET-AMOUNT-FOR-A-DISTRICT-AND--WITH--THE--REQUIREMENT--OF LOCAL-VOTER-APPROVAL-FOR-ANY-BUDGET-AMOUNT-BEYOND-90-PERCENT OF--THE--MAXIMUM--GENERAL-FUND-BUDGET-AMOUNT-FOR-A-DISTRICT; LIMITING-GENERAL-FUND-BUDGET-GROWTH-THAT-IS ABOVE--THE--BASE BUDGET--AND BELOW--THE--MAXIMUM--GENERAL--FUND--BUDGET--TO;~~ REQUIRING VOTER APPROVAL FOR DISTRICT GENERAL FUND BUDGET GROWTH THAT EXCEEDS 104 PERCENT OF THE PREVIOUS YEAR'S TOTAL GENERAL FUND BUDGET OR 104 PERCENT OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB; REVISING THE METHOD OF CALCULATING GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS BY COMPARING A DISTRICT'S TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT TO THE STATEWIDE TAXABLE VALUATION DIVIDED BY 40 PERCENT OF THE STATEWIDE MAXIMUM GENERAL FUND BUDGET AMOUNT; PROVIDING GENERAL FUND GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS AT ~~236~~ 303 ~~198~~ ~~195~~ ~~196~~ 191 PERCENT OF THE STATEWIDE TAXABLE VALUATION PER-ANB; REQUIRING DISTRICTS ABOVE THE ALLOWABLE MAXIMUM GENERAL FUND BUDGET TO REDUCE BUDGETS--BY--AT--LEAST--2--PERCENT--PER-YEAR PHASE-IN-BUDGET REDUCTIONS-OVER-A-5-YEAR--PERIOD;--STARTING--WITH--A--BUDGET FREEZE--IN--THE-FIRST-YEAR-OF-IMPLEMENTATION; FREEZE GENERAL FUND BUDGET GROWTH UNTIL THE MAXIMUM GENERAL FUND BUDGET LEVEL IS ACHIEVED; REQUIRING VOTER APPROVAL OF A DISTRICT GENERAL FUND BUDGET ABOVE THE MAXIMUM GENERAL FUND BUDGET,

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WITH AN EXEMPTION FROM THE VOTER APPROVAL REQUIREMENT FOR THE FIRST ~~2-YEARS YEAR~~ 2 YEARS OF IMPLEMENTATION; CREATING A FEDERAL IMPACT AID FUND; EQUALIZING FUNDING FOR SCHOOL DISTRICT FACILITY NEEDS BY PROVIDING GUARANTEED TAX BASE AID FOR THE DEBT SERVICE FUND OF A SCHOOL DISTRICT IF THE DISTRICT MILL VALUE PER ANB IS LESS THAN THE CORRESPONDING STATEWIDE MILL VALUE PER ANB; ALLOWING A DISTRICT THAT QUALIFIES FOR GUARANTEED TAX BASE AID TO INCUR INDEBTEDNESS UP TO 45 PERCENT OF THE STATEWIDE TAXABLE VALUE PER PUPIL MULTIPLIED BY THE DISTRICT'S ANB; PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR ~~STATE--EQUALIZATION~~ BASE AID; ~~LIMITING SCHOOL DISTRICT--EXPENSES--RELATED---TO---GENERAL---ADMINISTRATION, BUSINESS--SERVICES,--AND--THE--ACTIVITIES--OF--THE--BOARD OF TRUSTEES; REQUIRING THE TRUSTEES OF A--DISTRICT--TO--REQUEST VOTER--APPROVAL FOR ANY ADMINISTRATION AND BUSINESS SERVICES EXPENSES THAT EXCEED 95 PERCENT OF THE AVERAGE--EXPENDITURES IN CERTAIN PREVIOUS SCHOOL FISCAL YEARS;~~ BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT FROM OCTOBER OF THE PREVIOUS YEAR; PROVIDING MATCHING FUNDS FROM THE STATE EQUALIZATION AID ACCOUNT FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT; REQUESTING THAT AN APPROPRIATE INTERIM COMMITTEE BE ASSIGNED TO CONDUCT AN INTERIM STUDY OF CERTAIN TAXES AND PROPERTY VALUATION FOR THE PURPOSE OF ENHANCING EQUALIZED SCHOOL FUNDING AND OF EQUALIZING TAX BURDENS AMONG THE STATE'S SCHOOL DISTRICTS; ~~REMOVING CERTAIN CAPITAL OUTLAY COSTS FROM THE GENERAL--FUND--BUDGET;~~ APPROPRIATING FUNDS TO THE OFFICE OF PUBLIC INSTRUCTION TO IMPLEMENT THIS ACT; PROVIDING A MORATORIUM ON ALLOWING A SCHOOL DISTRICT TO CREATE A NEW SCHOOL DISTRICT OUT OF THE TERRITORY OF AN EXISTING DISTRICT; AMENDING SECTIONS 20-2-121, 20-3-106, 20-3-324, 20-5-305, 20-5-312, ~~20-6-401,--20-6-406,~~ 20-6-506, 20-6-603, 20-6-702, 20-7-117, 20-9-104, 20-9-113, 20-9-141, 20-9-143, ~~20-9-147,~~ 20-9-162, 20-9-163, 20-9-165, 20-9-166, 20-9-168, 20-9-201, 20-9-208, 20-9-212, 20-9-303, 20-9-304, 20-9-305, 20-9-311, 20-9-314, 20-9-321, 20-9-335, 20-9-343, 20-9-344, 20-9-346, 20-9-347, 20-9-348, 20-9-351, 20-9-353, 20-9-366, 20-9-367, AND 20-9-368, 20-9-369, 20-9-406, 20-9-439, AND 20-9-507, MCA; REPEALING SECTIONS 20-9-145, 20-9-147, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, 20-9-322, ~~20-9-348,~~ MCA, SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, AND SECTION 12, CHAPTER 6, SPECIAL LAWS OF JULY 1992; AND PROVIDING ~~AN~~ EFFECTIVE ~~DATE~~ DATES, A TERMINATION DATE, AND RETROACTIVE

APPLICABILITY DATES."

WHEREAS, it is the intent of the Legislature to enhance both student equity and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; and

WHEREAS, for these purposes, the Legislature determines that the foundation program funding mechanism of the past 4 decades be replaced with a public school funding system designed to yield greater equalization of both district general fund budgets per-ANB and district taxpayer efforts within a reasonable number of years.~~---The~~; THE Legislature has structured the base amount for school equity (BASE) funding program to contain components that can be modified to meet a number of state and school district objectives and economic realities but that will still maintain the essential elements of equalization as required by the Montana Constitution.; AND

WHEREAS, IT IS THE INTENT OF THE LEGISLATURE THAT FOR THE YEAR OF IMPLEMENTATION OF [THIS ACT], THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOCUS FIRST ON IMPLEMENTING PROCEDURES AND PROCESSES WITHIN [THIS ACT] AND ON ASSISTING SCHOOL DISTRICTS TO CALCULATE AND ADOPT ADEQUATE GENERAL FUND BUDGETS IN COMPLIANCE WITH [THIS ACT] AND THAT, AS SOON AS PRACTICAL AFTER THE ADOPTION OF

DISTRICT FINAL BUDGETS, THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION IMPLEMENT ESSENTIAL RULEMAKING PROCEDURES; AND

WHEREAS, THE LEGISLATURE RECOGNIZES THAT SCHOOL DISTRICTS AND THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION WILL NEED ASSISTANCE IN ORDER TO IMPLEMENT [THIS ACT] BEFORE THE SCHOOL FISCAL YEAR BEGINNING JULY 1993 AND INTENDS THAT THE OFFICE OF THE LEGISLATIVE AUDITOR PROVIDE AVAILABLE COMPUTER MODELS AND CONSULTATION, AS NECESSARY AND AS APPROVED BY THE LEGISLATIVE AUDIT COMMITTEE, TO THE OFFICE OF PUBLIC INSTRUCTION TO ENSURE THAT A TRANSITION TO THE PROVISIONS OF [THIS ACT] IS ACCOMPLISHED WITH A MINIMUM OF DELAY AND INCONVENIENCE TO THE DISTRICTS; AND

WHEREAS, THE LEGISLATURE INTENDS THAT THE IMPLEMENTATION OF [THIS ACT] BE ACCOMPLISHED WITH A MINIMUM OF ADDITIONAL REPORTING WORKLOAD AT THE DISTRICT AND STATE LEVEL AND THAT THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION, SCHOOL DISTRICTS, AND COUNTY SUPERINTENDENTS BE STRONGLY ENCOURAGED TO IMPLEMENT ELECTRONIC REPORTING AND TRANSMITTING OF DATA AND INFORMATION AS SOON AS PRACTICAL, USING EXISTING TELECOMMUNICATIONS NETWORKS, COMPUTER DISKETTES, OR ANY OTHER STANDARDIZED MEANS PRACTICABLE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1.** **Definitions.** As used in this

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title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.

(2) "BASE AID" MEANS:

(A) DIRECT STATE AID FOR ANY AMOUNT UP TO 40% OF THE BASIC ENTITLEMENT AND UP TO 40% OF THE TOTAL PER-ANB ENTITLEMENT BUDGETED IN THE GENERAL FUND BUDGET OF A DISTRICT; AND

(B) GUARANTEED TAX BASE AID FOR AN ELIGIBLE DISTRICT FOR ANY AMOUNT UP TO 40% OF THE BASIC ENTITLEMENT, UP TO 40% OF THE TOTAL PER-ANB ENTITLEMENT BUDGETED IN THE GENERAL FUND BUDGET OF A DISTRICT, AND UP TO 40% OF THE SPECIAL EDUCATION ALLOWABLE COST PAYMENT.

~~(2)~~(3) "BASE budget" means 80% of the maximum general fund budget of a district.

~~(3)~~(4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366 through 20-9-369.

~~(4)~~(5) "BASE funding program" means the state program for the equitable distribution of the state's share of the cost of Montana's basic system of public elementary schools and high schools, through county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in support of the BASE budgets of districts AND SPECIAL EDUCATION ALLOWABLE COST PAYMENTS AS PROVIDED IN 20-9-321.

~~(5)~~(6) "Basic entitlement" means:

(a) $200,000 for each high school district; and

(b) $18,000 for each elementary school district OR K-12 DISTRICT ELEMENTARY PROGRAM without an approved and accredited junior high school or middle school; and

(c) the prorated entitlement for each elementary school district OR K-12 DISTRICT ELEMENTARY PROGRAM with an approved and accredited junior high school or middle school, calculated as follows:

(i) $18,000 times the ratio of the ANB for kindergarten through grade 6 to the total ANB of kindergarten through grade 8; plus

(ii) $200,000 times the ratio of the ANB for grades 7 and 8 to the total ANB of kindergarten through grade 8.

~~(6)~~(7) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district ~~and~~, the total per-ANB entitlement for the district, AND SPECIAL EDUCATION ALLOWABLE COST PAYMENTS PLUS UP TO 53% OF SPECIAL EDUCATION ALLOWABLE COST PAYMENTS.

~~(7)~~(8) "Over-BASE budget levy" means the district levy in support of any general fund amount budgeted that is above the BASE budget and below the maximum general fund budget

for a district.

~~(8)--"State-equalization-aid"-means:~~

~~(a)--direct--state--aid--for-any-amount-up-to 45% 40% of the-basic-entitlement-and-up-to 45% 40% of-the-total-per-ANB entitlement--budgeted--in--the--general--fund--budget--of--a district;-and~~

~~(b)--guaranteed-tax-base-aid-for--an--eligible--district for-any-amount-up-to 35% 40% of-the-basic-entitlement-and-up to 35% 40% of-the-total-per-ANB-entitlement-budgeted-in-the general-fund-budget-of-a-district.~~

(9) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district, A MAXIMUM RATE OF $4,900 for the first ANB IS decreased by AT THE RATE OF 50 cents PER ANB for each additional ANB of the district up ~~to~~ THROUGH ~~2,500~~ ~~1,000~~ 800 ANB, with each ANB in excess of ~~2,500~~ ~~1,000~~ 800 receiving the same amount of entitlement as the ~~2,500th~~ ~~1,000TH~~ 800TH ANB;

(b) for an elementary school district OR A K-12 DISTRICT ELEMENTARY PROGRAM without an approved and accredited junior high school or middle school, A MAXIMUM RATE OF $3,500 for the first ANB IS decreased by AT THE RATE OF 20 cents PER ANB for each additional ANB of the district up ~~to~~ THROUGH ~~2,500~~ ~~2,000~~ 1,000 ANB, with each ANB in excess of ~~2,500~~ ~~2,000~~ 1,000 receiving the same amount of

entitlement as the ~~2,500th~~ ~~2,000TH~~ 1,000TH ANB; and

(c) for an elementary school district OR A K-12 DISTRICT ELEMENTARY PROGRAM with an approved and accredited junior high school or middle school, the sum of:

(i) A MAXIMUM RATE OF $3,500 for the first ANB for kindergarten through grade 6 IS decreased by AT THE RATE OF 20 cents PER ANB for each additional ANB up ~~to~~ THROUGH ~~2,500~~ 2,000 ANB, with each ANB in excess of ~~2,500~~ 2,000 receiving the same amount of entitlement as the ~~2,500th~~ 2,000TH ANB; and

(ii) A MAXIMUM RATE OF $4,900 for the first ANB for grades 7 and 8 IS decreased by AT THE RATE OF 50 cents PER ANB for each additional ANB for grades 7 and 8 up ~~to~~ THROUGH ~~2,500~~ ~~2,000~~ ~~1,000~~ 800 ANB, with each ANB in excess of ~~2,500~~ ~~2,000~~ ~~1,000~~ 800 receiving the same amount of entitlement as the ~~2,500th~~ ~~2,000TH~~ ~~1,000TH~~ 800TH ANB.

NEW SECTION. **Section 2. BASE funding program -- district general fund budget -- funding sources.** (1) A basic system of free quality public elementary schools and high schools must be established and maintained throughout the state of Montana to provide equality of educational opportunity to all school-age children.

(2) The state shall in an equitable manner fund and distribute to the school districts the state's share of the cost of the basic school system through ~~state--equalization~~

BASE aid to support the BASE funding program in the manner established in this title.

(3) The budgetary vehicle for achieving the financing system established in subsection (2) is the general fund budget of the school district. The purpose of the district general fund budget is to finance those instructional, administrative, facility maintenance, and other operational costs of a district not financed by other funds established for special purposes in this title. ~~COSTS-THAT--MAY--NOT--BE BUDGETED--OR--PAID-FROM-THE-GENERAL-FUND-INCLUDE-BUT-ARE-NOT LIMITED--TO--BOND--PRINCIPAL--AND--INTEREST--PAYMENTS,---THE PURCHASE--OF--NEW--AND--REPLACEMENT-BUSES,-NEW-CONSTRUCTION, BUILDING----ADDITION----EXPENSES,-----LAND-----ACQUISITIONS, INFRASTRUCTURE-EXPENSES,-AND-MAJOR-BUILDING-RENOVATIONS.~~

~~(4)--THE--PROVISIONS-OF-SUBSECTION-(3)-DO-NOT-PROHIBIT-A DISTRICT-FROM-PAYING-FOR-THE-COSTS-OF-ROUTINE--OR--EMERGENCY REPAIRS-OUT-OF-THE-GENERAL-FUND.~~

~~(4)~~(5) The BASE funding program for the districts in the state is financed by a combination of the following sources:

(a) county equalization money, as provided in 20-9-331 and 20-9-333;

(b) state equalization aid, as provided in 20-9-343, including guaranteed tax base aid for eligible districts as provided in 20-9-366 through 20-9-369;

(C) APPROPRIATIONS FOR SPECIAL EDUCATION;

~~(c)~~(D) a district levy, as provided in 20-9-302, for support of a school not approved as an isolated school under the provisions of that section; and

~~(d)~~(E) district levies or other revenue, as provided by [section 3] and 20-9-353.

NEW SECTION. **Section 3. BASE budgets and maximum general fund budgets.** (1) For the school fiscal year beginning on [the effective date of this act SECTION], the trustees of a district shall adopt a general fund budget that:

(a) except as provided in subsection (2), is at least equal to the BASE budget established for the district; or

(b) except as provided in subsection (3), does not exceed the maximum general fund budget established for the district.

(2) (A) If the BASE budget for a district for the school fiscal year beginning on [the effective date of this act SECTION] is greater than the general fund budget of the district for the prior school fiscal year, the trustees of the district ~~have-5-school-fiscal-years-in-which-to-increase by--at--least--equal--increments~~ REACH ~~the---BASE---budget calculated--for--the--district--in-the-ensuing-school-fiscal years.-If-the-general-fund-budget-increase-for-the--district as--computed--under--the--provisions-of-subsection-(5)(a)-is~~

greater-than-any-budget-increase-under-this-subsection,--the district--may--compute BY-INCREASING-THE-GENERAL-FUND-BUDGET BY-THE-GREATER-OF:

(A)--20%-OF-THE-RANGE-BETWEEN-THE-CURRENT--GENERAL--FUND BUDGET--AND--THE-BASE-BUDGET-CALCULATED-FOR-THE-DISTRICT-FOR THE-ENSUING-SCHOOL-FISCAL-YEAR;-OR

(B)--the--allowable---general---fund---budget increase INCREASES under-subsection-(5)(a):

(3)--(a)-If--the--general--fund--budget--for--the-school fiscal-year-immediately-preceding-the-current-school--fiscal year-is-greater-than-the-maximum-general-fund-budget-for-the district-for-the-current-school-fiscal-year,-the-trustees-of the--district--may--not--adopt-a-general-fund-budget-for-the current-school-fiscal-year-that-exceeds-the greater GREATEST of:

(i)--FOR--THE--SCHOOL--FISCAL--YEAR--BEGINNING--(ON--THE EFFECTIVE-DATE-OF-THIS-SECTION),-THE-DISTRICT'S-GENERAL-FUND BUDGET-FOR-THE-IMMEDIATELY-PRECEDING-SCHOOL-FISCAL--YEAR--OR THE---GENERAL---FUND--BUDGET--PER-AND--FOR--THE--IMMEDIATELY PRECEDING-SCHOOL--FISCAL--YEAR--MULTIPLIED--BY--THE--CURRENT YEAR'S-AND-FOR-BUDGETING-PURPOSES;

(II)-FOR--THE--SECOND--SCHOOL-FISCAL-YEAR-FOLLOWING-(THE EFFECTIVE-DATE-OF--THIS--SECTION),--99%--OF--THE--DISTRICT'S GENERAL--FUND--BUDGET--FOR--THE-IMMEDIATELY-PRECEDING-SCHOOL FISCAL-YEAR-OR-99%-OF-THE-GENERAL-FUND--BUDGET--PER-AND--FOR

THE--IMMEDIATELY--PRECEDING-SCHOOL-FISCAL-YEAR-MULTIPLIED-BY THE-CURRENT-YEAR'S-AND-FOR-BUDGETING-PURPOSES;

(III)-FOR-THE-THIRD-SCHOOL-FISCAL--YEAR--FOLLOWING--(THE EFFECTIVE--DATE--OF--THIS--SECTION), 98%--of-the-district's general-fund-budget-for--the--immediately--preceding--school fiscal--year OR--98%-OF-THE-GENERAL-FUND-BUDGET-PER-AND-FOR THE-IMMEDIATELY-PRECEDING-SCHOOL-FISCAL-YEAR--MULTIPLIED--BY THE-CURRENT-YEAR'S-AND-FOR-BUDGETING-PURPOSES;

(IV)-FOR--THE--FOURTH-AND-SUCCEEDING-SCHOOL-FISCAL-YEARS FOLLOWING-(THE-EFFECTIVE-DATE-OF-THIS-SECTION),-97%--OF--THE DISTRICT'S-GENERAL-FUND-BUDGET-FOR-THE-IMMEDIATELY-PRECEDING SCHOOL-FISCAL-YEAR-OR-97%-OF-THE-GENERAL-FUND-BUDGET-PER-AND FOR--THE-IMMEDIATELY-PRECEDING-SCHOOL-FISCAL-YEAR-MULTIPLIED BY-THE-CURRENT-YEAR'S-AND-FOR-BUDGETING-PURPOSES;-or

(ii)(V)--the--maximum--general--fund--budget---for---the district-for-the-current-school-fiscal-year.

(b)--The EXCEPT-FOR-THE-FIRST 2 SCHOOL-FISCAL YEARS YEAR FOLLOWING--(THE-EFFECTIVE-DATE-OF-THIS-SECTION)-DURING-WHICH NO-ELECTION-FOR-AN-ADDITIONAL-LEVY-IS-REQUIRED,-THE trustees of-the-district-shall-submit-a-proposition-for-an-additional levy-to-raise-any-amount-that-is-in-excess--of--the--maximum general--fund--budget,--as--computed-under-the-provisions-of subsection-(3)(a),-to-the-electors-who-are--qualified--under 20-20-301---to--vote--on--the--proposition--as--provided--in 20-9-353.

~~(4)--Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the district, the trustees shall finance this amount with the following sources of revenue:~~

~~(a)--state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible as provided in 20-9-366 through 20-9-369;~~

~~(b)--nonlevy revenue as provided in 20-9-141; and~~

~~(c)--a BASE budget levy on the taxable value of all property within the district.~~

~~(5)--Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district but that does not exceed the maximum general fund budget for the district, the trustees shall:~~

~~(a)--limit the general fund budget adopted under this subsection (5) to the greater of:~~

~~(i)--104% of the previous year's general fund budget; or~~

~~(ii) 104% of the previous year's general fund budget per ANB multiplied by the current year's ANB for budgeting purposes;~~

~~(b)--(i)~~ adopt a resolution stating the reasons and purposes for exceeding the BASE budget;

~~(II) FOR UP TO 90% OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1994, AND FOR SUCCEEDING SCHOOL FISCAL YEARS,~~ ADOPT A RESOLUTION STATING THE REASONS AND PURPOSES FOR EXCEEDING THE BASE BUDGET AMOUNT; AND

~~(III)~~ FOR ANY AMOUNT BEYOND 90% OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1994, AND FOR SUCCEEDING SCHOOL FISCAL YEARS, SUBMIT A PROPOSITION FOR A LEVY TO RAISE THE BUDGET AMOUNT TO THE ELECTORS WHO ARE QUALIFIED UNDER 20-20-301 TO VOTE ON THE PROPOSITION AS PROVIDED IN 20-9-353;

(c) finance the amount adopted under this subsection (5)(b)(III) with an over-BASE budget levy on the taxable value of all property within the district or with other revenue available to the district.

~~(6) WHENEVER THE TRUSTEES OF A DISTRICT ADOPT A GENERAL FUND BUDGET UNDER THE PROVISIONS OF SUBSECTION (5)(B)(III), THEY MAY SUBMIT A PROPOSITION ON THE OVER-BASE BUDGET LEVY TO THE ELECTORS OF THE DISTRICT AS PROVIDED IN 20-9-353,~~ SHALL INCREASE WITHIN 3 SCHOOL FISCAL YEARS THE GENERAL FUND BUDGET FOR THE DISTRICT BY THE GREATEST OF:

(I) 104% OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET;

(II) 104% OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES; OR

(III) FOR THE APPROPRIATE SCHOOL FISCAL YEAR:

(A) 33.3% OF THE RANGE BETWEEN THE DISTRICT GENERAL

FUND BUDGET FOR THE SCHOOL FISCAL YEAR ENDING JUNE 30, 1993, AND THE BASE BUDGET FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993;

(B) 50% OF THE RANGE BETWEEN THE DISTRICT GENERAL FUND BUDGET FOR THE SCHOOL FISCAL YEAR ENDING JUNE 30, 1994, AND THE BASE BUDGET FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1994; OR

(C) THE REMAINDER OF THE RANGE BETWEEN THE DISTRICT GENERAL FUND BUDGET FOR THE SCHOOL FISCAL YEAR ENDING JUNE 30, 1995, AND THE BASE BUDGET FOR THE DISTRICT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1995.

(B) EXCEPT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993, WHENEVER THE TRUSTEES OF A DISTRICT ADOPT A GENERAL FUND BUDGET THAT EXCEEDS ONE OF THE LIMITATIONS IN SUBSECTION (2)(A) BUT DOES NOT EXCEED THE BASE BUDGET FOR THE DISTRICT, THE TRUSTEES SHALL SUBMIT A PROPOSITION ON THE AMOUNT THAT EXCEEDS THE LIMITATION TO THE ELECTORS OF THE DISTRICT, AS PROVIDED IN 20-9-353.

(3) WHENEVER THE TRUSTEES OF A DISTRICT ADOPT A GENERAL FUND BUDGET THAT EXCEEDS THE BASE BUDGET FOR THE DISTRICT BUT DOES NOT EXCEED THE MAXIMUM GENERAL FUND BUDGET FOR THE DISTRICT, THE TRUSTEES SHALL:

(A) ADOPT A RESOLUTION STATING THE REASONS AND PURPOSES FOR EXCEEDING THE BASE BUDGET AMOUNT IF THE GENERAL FUND BUDGET ADOPTED UNDER THIS SUBSECTION (3) DOES NOT EXCEED THE

GREATER OF:

(I) 104% OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET; OR

(II) 104% OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB FOR BUDGETING PURPOSES; OR

(B) EXCEPT FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993, SUBMIT A PROPOSITION ON ANY AMOUNT OF THE OVER-BASE BUDGET LEVY THAT EXCEEDS ONE OF THE LIMITATIONS IN SUBSECTION (3)(A) TO THE ELECTORS OF THE DISTRICT, AS PROVIDED IN 20-9-353.

(4) (A) IF THE MAXIMUM GENERAL FUND BUDGET FOR A DISTRICT FOR AN ENSUING SCHOOL FISCAL YEAR IS LESS THAN THE GENERAL FUND BUDGET FOR THE DISTRICT FOR THE CURRENT SCHOOL FISCAL YEAR, THE TRUSTEES OF THE DISTRICT MAY NOT ADOPT A GENERAL FUND BUDGET FOR THE ENSUING SCHOOL FISCAL YEAR THAT IS GREATER THAN:

(I) THE DISTRICT'S GENERAL FUND BUDGET FOR THE CURRENT SCHOOL FISCAL YEAR; OR

(II) THE MAXIMUM GENERAL FUND BUDGET FOR THE DISTRICT FOR THE ENSUING SCHOOL FISCAL YEAR.

(B) EXCEPT FOR THE SCHOOL FISCAL ~~YEAR~~ YEARS BEGINNING JULY 1, 1993, AND JULY 1, 1994, THE TRUSTEES OF THE DISTRICT SHALL SUBMIT A PROPOSITION TO RAISE ANY GENERAL FUND BUDGET AMOUNT THAT IS IN EXCESS OF THE MAXIMUM GENERAL FUND BUDGET FOR THE DISTRICT TO THE ELECTORS WHO ARE QUALIFIED UNDER

20-20-301 TO VOTE ON THE PROPOSITION, AS PROVIDED IN 20-9-353.

(5) WHENEVER THE TRUSTEES OF A DISTRICT ADOPT A GENERAL FUND BUDGET THAT DOES NOT EXCEED THE BASE BUDGET FOR THE DISTRICT, THE TRUSTEES SHALL FINANCE THIS AMOUNT WITH THE FOLLOWING SOURCES OF REVENUE:

(A) STATE EQUALIZATION AID AS PROVIDED IN 20-9-343, INCLUDING ANY GUARANTEED TAX BASE AID FOR WHICH THE DISTRICT MAY BE ELIGIBLE, AS PROVIDED IN 20-9-366 THROUGH 20-9-369;

(B) COUNTY EQUALIZATION AID, AS PROVIDED IN 20-9-331 AND 20-9-333;

(C) A DISTRICT LEVY FOR SUPPORT OF A SCHOOL NOT APPROVED AS AN ISOLATED SCHOOL UNDER THE PROVISIONS OF 20-9-302;

(D) PAYMENTS IN SUPPORT OF SPECIAL EDUCATION PROGRAMS UNDER THE PROVISIONS OF 20-9-321;

(E) NONLEVY REVENUE AS PROVIDED IN 20-9-141; AND

(F) A BASE BUDGET LEVY ON THE TAXABLE VALUE OF ALL PROPERTY WITHIN THE DISTRICT.

(6) THE OVER-BASE BUDGET AMOUNT OF A DISTRICT MUST BE FINANCED BY A LEVY ON THE TAXABLE VALUE OF ALL PROPERTY WITHIN THE DISTRICT OR OTHER REVENUE AVAILABLE TO THE DISTRICT AS PROVIDED IN 20-9-141.

Section 4. Section 20-3-106, MCA, is amended to read:

"**20-3-106. Supervision of schools -- powers and duties.** The superintendent of public instruction has the general supervision of the public schools and districts of the state~~,~~ and he shall perform the following duties or acts in implementing and enforcing the provisions of this title:

(1) resolve any controversy resulting from the proration of costs by a joint board of trustees under the provisions of 20-3-362;

(2) issue, renew, or deny teacher certification and emergency authorizations of employment;

(3) negotiate reciprocal tuition agreements with other states in accordance with the provisions of 20-5-314;

(4) serve on the teachers' retirement board in accordance with the provisions of 2-15-1010;

(5) approve or disapprove the orders of a high school boundary commission in accordance with the provisions of 20-6-311;

(6) approve or disapprove the opening or reopening of a school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-505;

(7) approve or disapprove school isolation within the limitations prescribed by 20-9-302;

(8) generally supervise the school budgeting procedures prescribed by law in accordance with the provisions of 20-9-102 and prescribe the school budget format in accordance with the provisions of 20-9-103 and 20-9-506;

(9) establish a system of communication for calculating joint district revenues in accordance with the provisions of 20-9-151;

(10) approve or disapprove the adoption of a district's budget amendment resolution under the conditions prescribed in 20-9-163 and adopt rules for an application for additional state aid for a budget amendment in accordance with the approval and disbursement provisions of 20-9-166;

(11) generally supervise the school financial administration provisions as prescribed by 20-9-201(2);

(12) prescribe and furnish the annual report forms to enable the districts to report to the county superintendent in accordance with the provisions of 20-9-213(5) and the annual report forms to enable the county superintendents to report to the superintendent of public instruction in accordance with the provisions of 20-3-209;

(13) approve, disapprove, or adjust an increase of the average number belonging (ANB) in accordance with the provisions of 20-9-313 and 20-9-314;

(14) distribute ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program ~~and-guaranteed-tax base-aid~~, in accordance with the provisions of 20-9-331, 20-9-333, 20-9-342, 20-9-346, 20-9-347, and 20-9-366 through 20-9-369;

(15) distribute state impact aid in accordance with the

provisions of 20-9-304;

(16) provide for the uniform and equal provision of transportation by performing the duties prescribed by the provisions of 20-10-112;

(17) approve or disapprove an adult education program for which a district proposes to levy a tax in accordance with the provisions of 20-7-705;

(18) request, accept, deposit, and expend federal money in accordance with the provisions of 20-9-603;

(19) authorize the use of federal money for the support of an interlocal cooperative agreement in accordance with the provisions of 20-9-703 and 20-9-704;

(20) prescribe the form and contents of and approve or disapprove interstate contracts in accordance with the provisions of 20-9-705;

(21) approve or disapprove the conduct of school on a Saturday or on pupil-instruction-related days in accordance with the provisions of 20-1-303 and 20-1-304;

(22) recommend standards of accreditation for all schools to the board of public education and evaluate compliance with the standards and recommend accreditation status of every school to the board of public education in accordance with the provisions of 20-7-101 and 20-7-102;

(23) collect and maintain a file of curriculum guides and assist schools with instructional programs in accordance

with the provisions of 20-7-113 and 20-7-114;

(24) establish and maintain a library of visual, aural, and other educational media in accordance with the provisions of 20-7-201;

(25) license textbook dealers and initiate prosecution of textbook dealers violating the law in accordance with the provisions of the textbooks part of this title;

(26) as the governing agent and executive officer of the state of Montana for K-12 vocational education, adopt the policies prescribed by and in accordance with the provisions of 20-7-301;

(27) supervise and coordinate the conduct of special education in the state in accordance with the provisions of 20-7-403;

(28) administer the traffic education program in accordance with the provisions of 20-7-502;

(29) administer the school food services program in accordance with the provisions of 20-10-201, 20-10-202, and 20-10-203;

(30) review school building plans and specifications in accordance with the provisions of 20-6-622;

(31) prescribe the method of identification and signals to be used by school safety patrols in accordance with the provisions of 20-1-408;

(32) provide schools with information and technical

assistance for compliance with the student assessment rules provided for in 20-2-121 and collect and summarize the results of the student assessment for the board of public education and the legislature;

(33) administer the distribution of guaranteed tax base aid for county retirement levy obligations in accordance with 20-9-366 through 20-9-369; and

(34) perform any other duty prescribed from time to time by this title, any other act of the legislature, or the policies of the board of public education."

Section 5. Section 20-3-324, MCA, is amended to read:

"**20-3-324. Powers and duties.** As prescribed elsewhere in this title, the trustees of each district shall:

(1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district superintendent, the county high school principal, or other principal as the board considers necessary, accepting or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the provisions of Title 20, chapter 4;

(2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians, maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered necessary to carry out the various services of the district;

(3) administer the attendance and tuition provisions and otherwise govern the pupils of the district in accordance with the provisions of the pupils chapter of this title;

(4) call, conduct, and certify the elections of the district in accordance with the provisions of the school elections chapter of this title;

(5) participate in the teachers' retirement system of the state of Montana in accordance with the provisions of the teachers' retirement system chapter of Title 19;

(6) participate in district boundary change actions in accordance with the provisions of the districts chapter of this title;

(7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the provisions of the school organization part of this title;

(8) adopt and administer the annual budget or a budget amendment of the district in accordance with the provisions of the school budget system part of this title;

(9) conduct the fiscal business of the district in accordance with the provisions of the school financial administration part of this title;

(10) establish the ANB, ~~foundation program, permissive,~~ BASE budget levy, over-BASE budget levy, additional levy, operating reserve, and state impact aid amounts for the

general fund of the district in accordance with the provisions of the general fund part of this title;

(11) establish, maintain, budget, and finance the transportation program of the district in accordance with the provisions of the transportation parts of this title;

(12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions of the bonds parts of this title;

(13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund, building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous federal programs fund, building fund, lease or rental agreement fund, traffic education fund, IMPACT AID FUND, and interlocal cooperative agreement fund in accordance with the provisions of the other school funds parts of this title;

(14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in accordance with the provisions of the miscellaneous financial parts of this title;

(15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with the provisions of the school sites and facilities part of this title;

(16) operate the schools of the district in accordance

with the provisions of the school calendar part of this title;

(17) establish and maintain the instructional services of the schools of the district in accordance with the provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

(18) establish and maintain the school food services of the district in accordance with the provisions of the school food services parts of this title;

(19) make reports from time to time as the county superintendent, superintendent of public instruction, and board of public education may require;

(20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions of the school or the general health conditions of each pupil and, upon request, make available to any parent or guardian any medical reports or health records maintained by the district pertaining to ~~his~~ a child;

(21) for each member of the trustees, visit each school of the district not less than once each school fiscal year to examine its management, conditions, and needs, except trustees from a first-class school district may share the responsibility for visiting each school in the district;

(22) procure and display outside daily in suitable

weather at each school of the district an American flag that measures not less than 4 feet by 6 feet;

(23) adopt and administer a district policy on assessment for placement of any child who enrolls in a school of the district from a nonpublic school that is not accredited, as required in 20-5-110; and

(24) perform any other duty and enforce any other requirements for the government of the schools prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public instruction."

Section 6. Section 20-5-305, MCA, is amended to read:

"**20-5-305. Elementary tuition rates.** (1) Whenever a pupil of an elementary district has been granted approval to attend a school outside of the district in which ~~he~~ the pupil resides, under the provisions of 20-5-301 or 20-5-302, the district of residence shall pay tuition to the elementary district where the pupil attends school. Except as provided in subsection (2), the basis of the rate of tuition ~~shall~~ must be determined by the attended district. The rate of tuition must be determined on March 15 by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a)

by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed--by--the foundation-program-schedules received-in-state--equalization aid--for-support~~ of ANY GENERAL FUND BUDGET AMOUNT UP TO the district BASE budget LEVEL and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of **permissive-and** retirement mills levied.

(2) The tuition for a full-time elementary special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of elementary tuition for full-time elementary special education pupils as designated in 20-9-311 for funding purposes."

Section 7. Section 20-5-312, MCA, is amended to read:

"**20-5-312. Reporting, budgeting, and payment for high school tuition.** (1) Except as provided in subsection (2), on March 15, the trustees of each high school district shall determine the rate of tuition for the current school fiscal year by:

(a) totaling the previous school fiscal year's

expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) above by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed--by--the foundation-program-schedules received-in-state--equalization aid--in--support~~ of ANY GENERAL FUND BUDGET AMOUNT UP TO the district BASE budget LEVEL and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of **permissive-and** retirement mills levied.

(2) The tuition for a full-time high school special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of tuition for full-time high school special education pupils as designated in 20-9-311 for funding purposes.

(3) Before July 15, the trustees shall report to the county superintendent of the county in which the district is located:

(a) the names, addresses, and resident districts of the

pupils attending the schools of the district under an approved tuition agreement;

(b) the number of days of school attended by each pupil;

(c) the amount, if any, of each pupil's tuition payment that the trustees, in their discretion, have the authority to waive; and

(d) the rate of current school fiscal year tuition, as determined under the provisions of this section.

(4) When the county superintendent receives a tuition report from a district, ~~he~~ the county superintendent shall immediately send the reported information to the superintendent of each district in which the reported pupils reside.

(5) When the district superintendent receives a tuition report or reports for high school pupils residing in ~~his~~ the district and attending an out-of-district high school under approved tuition agreements, ~~he~~ the district superintendent shall determine the total amount of tuition due the out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils attending under an approved tuition agreement, and other information provided by each high school district where resident district pupils have attended school.

(6) The total amount of the high school tuition, with

consideration of any tuition waivers, for pupils attending a high school outside the county of residence must be financed by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall ~~cause-the-payment~~ pay by county warrant ~~of~~ at least one-half of the high school tuition obligations established under this section out of the first money realized from the county basic special tax for high schools. The remaining obligations must be paid by June 15 of the school fiscal year. The payments must be made to the county treasurer of the county where each high school entitled to tuition is located. Except as provided in subsection (8), the county treasurer shall credit tuition receipts to the general fund of the applicable high school district, and the tuition receipts must be used in accordance with the provisions of 20-9-141.

(7) For pupils attending a high school outside their district of residence but within the county of residence, the total amount of the tuition, with consideration of any tuition waivers, must be paid during the ensuing school fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition fund of the preliminary and final budgets. This budgeted tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall

report the net tuition fund levy requirement for each high school district to the county commissioners on the second Monday of August, and a levy on the district must be made by the county commissioners in accordance with 20-9-142. The levy requirement must be calculated by subtracting from the total expenditure amount authorized in the final tuition fund budget the sum of the fund balance in the tuition fund at the end of the immediately preceding school fiscal year plus any other anticipated money that may be realized in the tuition fund. The trustees shall pay by warrants drawn on the tuition fund the tuition amounts owed to each district included in the county superintendent's notification. Payments must be made whenever there is a sufficient amount of cash available in the tuition fund but no later than the end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a hearing and either approve or disapprove the transfer.

(8) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or this part for the current school fiscal year must be deposited in a separate account of the district miscellaneous programs fund and may be used for that year in the manner provided for in that

fund. For the ensuing school fiscal year, the receipts must be credited to the district general fund budget."

Section 8. Section 20-6-506, MCA, is amended to read:

"**20-6-506. Budgeting and cost sharing when junior high school operated by elementary district and high school district operating a county high school.** (1) Whenever the opening of a junior high school is approved for the ensuing school fiscal year under 20-6-505, the county superintendent shall estimate the average number belonging (ANB) after investigating the probable enrollment for the junior high school. The ANB determined by the county superintendent and the ANB actually realized in subsequent school fiscal years must be applied ~~under--20-9-320~~ as provided in [section 1(9)(c)(ii)] to prorate the ~~foundation--program--schedule amount--provided--in--20-9-303(2)(a)~~ BASE funding program amount between the elementary and high school districts. Each district shall adopt its general fund budget on the basis of the prorated amount and shall finance its proportionate share of the cost of operating the junior high school.

(2) The cost of operating the junior high school must be prorated between the elementary district and the high school district on the basis of the ratio that the number of pupils of their district is to the total enrollment of the junior high school."

Section 9. Section 20-6-603, MCA, is amended to read:

"**20-6-603. Trustees' authority to acquire or dispose of sites and buildings -- when election required.** (1) The trustees of ~~any~~ a district may purchase, build, exchange, or otherwise acquire, sell, or dispose of sites and buildings of the district. Action may not be taken by the trustees without the approval of the qualified electors of the district at an election called for the purpose of approval unless:

(a) a bond issue has been authorized for the purpose of constructing, purchasing, or acquiring the site or building;

(b) an additional levy under the provisions of ~~20-9-353~~ 20-9-502 has been approved for the purpose of constructing, purchasing, or acquiring the site or building; OR

~~(c) the cost of constructing, purchasing, or acquiring the site or building is financed paid from the district general fund budget without exceeding the foundation program schedule amount provided in 20-9-303(2)(a) maximum general fund budget amount for the district, and in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or~~

~~(d)~~ (C) money is otherwise available under the provisions of this title and the ballot for the site approval for the building incorporated a description of the building to be located on the site.

(2) When an election is conducted under the provisions of this section, it must be called under the provisions of 20-20-201 and must be conducted in the manner prescribed by this title for school elections. An elector qualified to vote under the provisions of 20-20-301 may vote in the election. If a majority of those electors voting at the election approve the proposed action, the trustees may take the proposed action."

Section 10. Section 20-6-702, MCA, is amended to read:

"**20-6-702. Funding for K-12 school districts.** (1) Notwithstanding the provisions of subsections (2) through (6), a K-12 school district formed under the provisions of 20-6-701 is subject to the provisions of law for high school districts.

(2) The number of elected trustees of the K-12 school district must be based on the classification of the attached elementary district under the provisions of 20-3-341 and 20-3-351.

(3) Calculations for the following must be made separately for the elementary school program and the high school program of a K-12 school district:

(a) the calculation of ANB for purposes of determining the ~~foundation program schedule payments~~ total per-ANB entitlements must be in accordance with the provisions of 20-9-311;

(b) the basic county tax and revenues for the elementary ~~foundation~~ BASE funding program amount for the district must be determined in accordance with the provisions of 20-9-331, and the basic special tax and revenues for the high school ~~foundation~~ BASE funding program amount for the district must be determined in accordance with 20-9-333; and

(c) the guaranteed tax base aid for ~~the permissive levy amount~~ BASE funding program purposes for a K-12 school district must be calculated separately, using ~~the mill district taxable value per elementary ANB and the mill district taxable value per high school ANB~~ EACH DISTRICT'S GUARANTEED TAX BASE RATIO, AS DEFINED IN 20-9-366 ~~as defined in 20-9-366~~. The ~~permissive amount~~ BASE budget levy~~, over BASE budget levy, or additional levy~~ to be levied for the K-12 school district must be prorated based on the ratio of the ~~foundation~~ BASE funding program amounts for elementary school programs to the ~~foundation~~ BASE funding program amounts for high school programs.

(4) The retirement obligation and eligibility for retirement guaranteed tax base aid for a K-12 school district must be calculated and funded as a high school district retirement obligation under the provisions of 20-9-501.

(5) For the purposes of budgeting for a K-12 school

district, the trustees shall adopt a single fund for any of the budgeted or nonbudgeted funds described in 20-9-201 for the costs of operating all grades and programs of the district.

(6) Tuition for attendance in the K-12 school district must be determined separately for high school pupils and for elementary pupils under the provisions of chapter 5, part 3, except that the actual expenditures used for calculations in 20-5-305 and 20-5-312 must be based on an amount prorated between the elementary and high school programs in the appropriate funds of each district in the year prior to the attachment of the districts."

Section 11. Section 20-9-104, MCA, is amended to read:

"20-9-104. ~~(Temporary)~~ General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) ~~through (7)~~ and (6), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be

used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Excess reserves as provided in subsection (5) may be:

~~(A)~~ appropriated to reduce the ~~permissive levy provided by 20-9-145 or to reduce the voted~~ BASE budget levy, the over-BASE budget levy, or the additional levy provided by 20-9-353, EXCEPT THAT DISTRICTS WITH A BALANCE ON ~~JULY 1~~ JUNE 30, 1993, IN THE EXCESS RESERVE ACCOUNT FOR PUBLIC LAW 81-874 FUNDS SHALL TRANSFER THE ~~JULY 1, 1994~~ JUNE 30, 1993, BALANCE TO THE IMPACT AID FUND ESTABLISHED IN [SECTION 35 46 44]; ~~OR~~

~~(B) TRANSFERRED AT THE END OF THE SCHOOL FISCAL YEAR ENDING JUNE 30, 1993, TO THE BUILDING RESERVE, TRANSPORTATION, OR BUS DEPRECIATION FUNDS~~.

(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

~~(a) any amount received under Public Law 81-874;~~

~~(b)~~ (A) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

~~(c)~~ (B) any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.

~~(7) For fiscal year 1993, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than the amounts identified by a school district as one or more of the following:~~

~~(a) any amount received under Public Law 81-874;~~

~~(b) the unused balance of any amount received:~~

~~(i) in settlement of tax payments protested in a prior school fiscal year;~~

~~(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and~~

~~(iii) in delinquent taxes from a prior school fiscal~~

year;-or

(c)--any--amount--received--as--a--general-bonus-payment under-20-6-401;-

20-9-104.--(Effective--on--occurrence--of---contingency) General--fund--operating--reserve. (1)--At--the-end-of-each school-fiscal-year,-the--trustees--of--each--district--shall designate--the--portion--of-the-general-fund-end-of-the-year fund-balance-that-is-to-be-earmarked--as--operating--reserve for--the--purpose--of-paying-general-fund-warrants-issued-by the-district-from-July-1--to--November--30--of--the--ensuing school--fiscal--year.--Except-as-provided-in-subsections-(5) through-(7),-the-amount-of-the-general-fund-balance-that--is earmarked--as--operating--reserve--may-not-exceed-10%-of-the final-general-fund-budget--for--the--ensuing--school--fiscal year.

(2)--The--amount--held--as--operating-reserve-may-not-be used-for-property-tax-reduction-in-the-manner--permitted--by 20-9-141(1)(b)-for-other-receipts.

(3)--Any--unreserved--fund--balance--that-is-equal-to-or less-than-the-prior-year's-excess-reserves--as--provided--in subsection--(5)--may--be--used-to-reduce-the-permissive-levy provided-by-20-9-145-or-to-reduce-the-voted-levy-provided-by 20-9-353.

(4)--Any-portion-of--the--general--fund--end-of-the-year fund--balance--that--is-not-reserved-under-subsection-(2)-or

reappropriated--under--subsection--(3)---is---fund---balance reappropriated--and--must-be-used-for-property-tax-reduction as-provided-in-20-9-141(1)(b)(iii).

(5)--For-fiscal-year-1994-and-subsequent--fiscal--years, the--limitation--of--subsection--(1)-does-not-apply-when-the amount-in-excess-of-the-limitation-is-equal-to-or-less--than one-or-more-of-the-following:

(a)--any--amount-received-under-Public-Law-81-874-in-the current-school-fiscal-year;

(b)--the-unused-balance-of-any-amount-received:

(i)--in-settlement-of-tax-payments-protested-in-a--prior school-fiscal-year;

(ii)-in--taxes--from--a--prior--school--fiscal-year-as-a result-of-a-tax-audit-by-the-department-of--revenue--or--its agents;-and

(iii)-in--delinquent--taxes--from--a-prior-school-fiscal year;-or

(c)--any-amount-received--as--a--general--bonus--payment under-20-6-401.

(6)--The--limitation--of--subsection--(1)-does-not-apply when-the-amount-earmarked-as-operating-reserve-is-$10,000-or less.

(7)--A-district-that-received-Public-Law-81-874-money-in a-prior-year-and-that-must-reduce-its-operating--reserve--to 10%--pursuant-to-this-section-in-the-next-school-fiscal-year

may-consider-a-percentage-of-the-unreserved-fund-balance--to be--an--excess--amount--as--provided--in-subsection-(5).-The percentage-of-unreserved-fund-balance-that-may-be-considered an-excess-amount-is-the-average-of--the--3--previous--years' ratio--of--total-district-general-fund-revenue-to-Public-Law 81-874-money-received."

SECTION 12. SECTION 20-9-104, MCA, IS AMENDED TO READ:

"20-9-104.--(Temporary)-General-fund-operating--reserve. (1)--At--the-end-of-each-school-fiscal-year,-the-trustees-of each-district-shall-designate-the--portion--of--the--general fund-end-of-the-year-fund-balance-that-is-to-be-earmarked-as operating--reserve--for--the--purpose-of-paying-general-fund warrants-issued-by-the-district-from-July-1-to--November--30 of--the--ensuing--school--fiscal-year.-Except-as-provided-in subsections-(5)-through-(7),-the-amount-of-the-general--fund balance--that--is--earmarked--as--operating--reserve-may-not exceed-10%-of-the-final-general-fund-budget-for-the--ensuing school-fiscal-year.

(2)--The--amount--held--as--operating-reserve-may-not-be used-for-property-tax-reduction-in-the-manner--permitted--by 20-9-141(1)(b)-for-other-receipts.

(3)--Excess--reserves--as-provided-in-subsection-(5)-may be-appropriated-to-reduce-the-permissive--levy--provided--by 20-9-145-or-to-reduce-the-voted-levy-provided-by-20-9-353.

(4)--Any--portion--of--the--general-fund-end-of-the-year

fund-balance-that-is-not-reserved-under--subsection--(2)--or reappropriated---under---subsection---(3)--is--fund--balance reappropriated-and-must-be-used-for-property--tax--reduction as-provided-in-20-9-141(1)(b)(iii).

(5)--For--fiscal--year-1994-and-subsequent-fiscal-years, the-limitation-of-subsection-(1)-does--not--apply--when--the amount--in-excess-of-the-limitation-is-equal-to-or-less-than one-or-more-of-the-following:

(a)--any-amount-received-under-Public-Law-81-874;

(b)--the-unused-balance-of-any-amount-received:

(i)--in-settlement-of-tax-payments-protested-in-a--prior school-fiscal-year;

(ii)-in--taxes--from--a--prior--school--fiscal-year-as-a result-of-a-tax-audit-by-the-department-of--revenue--or--its agents;-and

(iii)-in--delinquent--taxes--from--a-prior-school-fiscal year;-or

(c)[b]--any-amount-received-as-a-general--bonus--payment under-20-6-401.

(6)--The--limitation--of--subsection--(1)-does-not-apply when-the-amount-earmarked-as-operating-reserve-is-$10,000-or less.

(7)--For-fiscal-year-1993,-the-limitation-of--subsection (1)--does--not--apply--when--the--amount--in--excess--of-the limitation-is-equal-to-or-less-than-the--amounts--identified

by a school district as one or more of the following:

(a) any amount received under Public Law 81-874;

(b) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

(c) any amount received as a general bonus payment under 20-6-401;

20-9-104. (Effective on occurrence of contingency) General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) through (7), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be

used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Any unreserved fund balance that is equal to or less than the prior year's excess reserves as provided in subsection (5) may be used to reduce the permissive levy provided by 20-9-145 or to reduce the voted levy provided by 20-9-353.

(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

(a) any amount received under Public Law 81-874 in the current school fiscal year;

(b) the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal

year;-or

(c)--any-amount-received--as--a--general--bonus--payment under-20-6-401;

(6)--The--limitation--of--subsection--(1)-does-not-apply when-the-amount-earmarked-as-operating-reserve-is-$10,000-or less;

(7)--A-district-that-received-Public-law-81-874-money-in a-prior-year-and-that-must-reduce-its-operating--reserve--to 10%--pursuant-to-this-section-in-the-next-school-fiscal-year may-consider-a-percentage-of-the-unreserved-fund-balance--to be--an--excess--amount--as--provided--in-subsection-(5);-The percentage-of-unreserved-fund-balance-that-may-be-considered an-excess-amount-is-the-average-of--the--3--previous--years' ratio--of--total-district-general-fund-revenue-to-Public-law 81-874-money-received;"

Section 12. Section 20-9-113, MCA, is amended to read:

"**20-9-113. Preparation and adoption of preliminary budget by trustees.** (1) The trustees of each a district shall meet at their regular place of meeting at any time from February 1 through the fourth Monday in June, at the discretion of the board, to adopt a preliminary budget for the next ensuing school fiscal year. This budget meeting may be continued from day to day but shall may not exceed 5 days in total. Any taxpayer in the district may attend such the meeting and be heard in regard to the preliminary budget or

any item or amount proposed to be included in such the budget. The preliminary budget shall must include all funds which that require the adoption of a budget and which that the trustees wish to utilize during the ensuing year.

(2) The proposed expenditures adopted as the preliminary budget shall must be entered on the appropriate portion of the budget form. The amount of the preliminary general fund budget for a district shall may not exceed the foundation-program-of-such maximum general fund budget for the district except in the manner permitted by the laws of Montana. If any appropriation item of the preliminary budget provides for the payment of wages or salaries to more than one person, the district shall attach to the preliminary budget a separate listing of each position of employment with the budgeted amount of compensation for each position.

(3) After the adoption of the preliminary budget by the trustees, the chairman presiding officer of the trustees and the clerk of the district shall sign the budget form, and it shall constitute the preliminary budget for the district. The trustees shall send both copies of the adopted preliminary budget, with all appendages and any other information required by law, to the county superintendent on or before the fifth day after the fourth Monday of June.

(4) At least 2 weeks before the first meeting day on adoption of a preliminary budget for the ensuing school

fiscal year, as required by this section, the trustees of a district shall publish a notice of the meeting at least one time in a newspaper of general circulation in the district. The notice must state that any taxpayer in the district may attend the meeting and be heard on the preliminary budget."

Section 13. Section 20-9-141, MCA, is amended to read:

"**20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the amount established by the ~~schedules in 20-9-316 through 20-9-321~~ state equalization aid share of the BASE budget for the district by totaling:

(i) the district's nonisolated school ~~foundation program~~ BASE budget requirement to be met by a district levy as provided in 20-9-303; and

(ii) any ~~additional~~ general fund budget amount adopted by the trustees of the district under the provisions of ~~20-9-145~~ [section 3] and 20-9-353, including any additional ~~levies~~ funding for a general fund budget that exceeds the maximum general fund budget as authorized by the electors of the district.

(b) Determine the money available for the reduction of

the property tax on the district for the general fund by totaling AMOUNTS RECEIVED IN THE LAST FISCAL YEAR FOR WHICH REVENUE REPORTING WAS REQUIRED FOR EACH SOURCE LISTED BELOW, WITH THE EXCEPTION OF ~~SUBSECTION (1)(B)(III)~~ SUBSECTIONS (1)(B)(I) AND (1)(B)(III):

(i) ~~anticipated federal money received under the provisions of Title I of Public Law 81-874 or other anticipated federal money received in lieu of that federal act;~~ PUBLIC LAW 81-874 FUNDS TRANSFERRED TO THE GENERAL FUND FROM THE IMPACT AID FUND AS PROVIDED IN [SECTION 46 44];

~~(ii)~~(II) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-303, 20-5-307, 20-5-312, and 20-5-313;

~~(iii)~~(III) general fund balance reappropriated, as established under the provisions of 20-9-104;

~~(iv)~~(IV) anticipated or reappropriated state impact aid received under the provisions of 20-9-304;

~~(v)~~(V) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

~~(vi)~~(VI) anticipated net proceeds taxes for new production, as defined in 15-23-601;

~~(vii)~~(VII) anticipated revenue from local government severance taxes as provided in 15-36-112;

~~(viii)~~(VIII) anticipated revenue from coal gross

proceeds under 15-23-703;

~~(ix)~~ ~~(VIII)~~ (IX) anticipated interest to be earned or reappropriated interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4);

~~(x)~~ ~~(IX)~~ (X) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702; and

~~(xi)~~ ~~(X)~~ (XI) any other revenue anticipated by the trustees to be received during the ensuing school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid.

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any ~~additional~~ general fund budget amount adopted by the trustees of the district ~~as--the--permissive-amount-under-the-provisions-of-20-9-145,~~ up to the BASE budget amount, to determine the general fund ~~permissive-net~~ BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget ~~levy~~ AMOUNT, a district levy as provided in 20-9-303, and ~~an~~ ANY additional levy FINANCING as provided in 20-9-353 to determine ~~the~~ any additional general fund levy ~~requirement~~

requirements.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the district to finance the general fund ~~permissive--net~~ levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the district will receive for each mill levied AND FOR PUBLIC LAW 81-874 FUNDS TRANSFERRED TO THE GENERAL FUND IN LIEU OF LEVYING MILLS, as certified by the superintendent of public instruction; and

(b) the taxable valuation of the district divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the second Monday of August by the county superintendent as the ~~general--fund--permissive--net-levy requirement--and--the--additional~~ general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142."

SECTION 14. SECTION 20-9-143, MCA, IS AMENDED TO READ:

"20-9-143. Allocation of federal funds in lieu of property taxation. Federal funds received by a district under the provisions of Title I of Public Law 81-874 or

funds designated in lieu of such federal act by the congress of the United States may must be allocated--to--the--various operating--budgets-of-the-district-by-the-trustees deposited in the impact aid fund established in [section 35 46 44]."

Section 16. --Section-20-9-147,-MCA,-is-amended-to-read:--

"20-9-147.--Approval-to-amend-general--fund--budget--for ensuing--school--fiscal-year.-(1)-The-trustees-of-a-district may-determine-that-expenses-from-the-following-sources--will need--to-be-funded-by-the-general-fund-budget-in-the-ensuing school-fiscal-year:

(a)--a-budget-amendment-authorized-under-the--provisions of-20-9-161-through-20-9-163;

(b)--metal---mines---tax---reserve--fund--authorized--in 20-9-231;

(c)--special-education-expenditures-approved--under--the provisions-of-20-9-321(3);

(d)--transfer--of--services--from--or--dissolution--of-a special-education-cooperative;-and

(e)--tuition-receipts--deposited--in--the--miscellaneous programs-fund.

(2)--Whenever--the-trustees-determine-that-expenses-from the-sources-in-subsection-(1)-will-need-to-be-funded-by--the general-fund-in-the-ensuing-year and-the-expenses-will-cause the--general--fund-budget-to-exceed-the-maximum-general-fund budget-for-the-district,-the--trustees--shall--petition--the

superintendent-of-public-instruction-for-approval-to-add-the expenditures--from--any-of-the-sources-to-the-current-year's general-fund-budget-for--the--purposes--of--calculating--the ensuing--year's-general-fund-budget-limitation.-The-petition must-set-forth-in--writing--the--specific--reasons--for--the request and, a--report--of--the--actual--expenditures, and certification-that-any-expenditures-from--the--sources--will not-continue-into-the-ensuing-school-fiscal-year.

(3)--The--superintendent--of--public--instruction--shall promptly--approve-or-disapprove-the-petition-for-approval-to add-the-expenditures-from-the-sources-in-subsection--(1)--to the--current--year's-general-fund-budget-for-the-purposes-of calculating-the-ensuing-year's-general-fund-budget."

Section 15. Section 20-9-162, MCA, is amended to read:

"20-9-162. Authorization for budget amendment adoption. (1) (A) Notwithstanding the provisions of subsections (2) and (3), a budget amendment may be adopted at any time of the school fiscal year, except that a budget amendment required by an enrollment increase that-could-not-have-been anticipated-at-the-time--of--the--adoption--of--the--regular budget as provided in 20-9-161(1) may not be adopted until after October 1.

(2)(B) If-a-budget-amendment-for-the--reasons--provided in--20-9-161(1)--through--(4)--does--not--cause-the-district general-fund-budget-to-exceed-the limitations--in--20-9-315

maximum--general--fund--budget--for--the--district,--the THE trustees may approve the A budget amendment PURSUANT TO 20-9-161(2) THROUGH (6) by a resolution as-provided-in 20-9-163.

(C) WHENEVER THE TRUSTEES OF A DISTRICT DECIDE THAT A BUDGET AMENDMENT IS NECESSARY, THEY MAY PROCLAIM THE NEED FOR THE BUDGET AMENDMENT BY A MAJORITY VOTE OF THE TRUSTEES. THE PROCLAMATION MUST STATE THE FACTS CONSTITUTING THE NEED FOR THE BUDGET AMENDMENT, THE FUNDS AFFECTED BY THE BUDGET AMENDMENT, THE ANTICIPATED SOURCE OF FINANCING, THE ESTIMATED AMOUNT OF MONEY REQUIRED TO FINANCE THE BUDGET AMENDMENT, AND THE TIME AND PLACE THE TRUSTEES WILL MEET FOR THE PURPOSE OF CONSIDERING AND ADOPTING THE BUDGET AMENDMENT FOR THE CURRENT SCHOOL FISCAL YEAR.

(2) The trustees shall send a copy of the resolution PROCLAMATION to the county superintendent and to the board of county commissioners of the county.

(3) The trustees shall submit the--following A BUDGET AMENDMENT FOR AN ENROLLMENT INCREASE to the superintendent of public instruction for approval in the manner provided in 20-9-163:

(a)--a-budget-amendment--for--the--reasons--provided--in 20-9-161(5)-and-(6);-and

(b)--a--budget--amendment--for--any--reason--provided-in 20-9-161(1)-through-(4)-that--causes--the--district--general

fund--budget--to--exceed-the limitations-in-20-9-315 maximum general-fund-budget-for-the-district."

Section 16. Section 20-9-163, MCA, is amended to read:

"20-9-163. Resolution for budget amendment -- petition to superintendent of public instruction. (1) Notwithstanding the--provisions--of--subsection--(3),--whenever WHENEVER the trustees of a district decide that a budget amendment is necessary BECAUSE OF AN ENROLLMENT INCREASE, they may PETITION THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO adopt a resolution proclaiming FOR the budget amendment. THE PETITION MUST BE SIGNED by a majority vote of the trustees.

(2) The budget-amendment-resolution-must-also PETITION MUST state the facts constituting the need for the budget amendment, the estimated amount of money required to fund the budget amendment, the funds affected by the budget amendment, and-the-time-and-place-the-board--will--meet--for the--purpose--of-considering-and-adopting-a-budget-amendment for-funds-for-the-current-school-fiscal-year THE ANTICIPATED SOURCE OF FINANCING FOR THE BUDGET AMENDMENT, AND THE CURRENT YEAR ENROLLMENT.

(2)--if-the-trustees-of-a-school-district-determine-that the--proposed--budget--amendment--will--cause--the--district general--fund--to-exceed-the limitations-of-20-9-315 maximum general-fund-budget-for-the--district or if--the--proposed budget--amendment is-for-the-reasons-provided-in-20-9-161(5)

and (6), the trustees shall petition the superintendent of public instruction for permission to adopt a resolution for a budget amendment. The petition must set forth in writing the reasons for the request, the district funds affected by the budget amendment, the estimated amount of money required for the budget amendment for each affected fund, the anticipated sources of financing for the budget amendment expenditures, certification that the expenditures will not continue into the ensuing school fiscal year, and any other information required by the superintendent of public instruction. The petition must be signed by a majority of the trustees.

(3) (a) The superintendent of public instruction shall promptly approve or disapprove the petition requesting approval to adopt a resolution for a budget amendment BECAUSE OF INCREASED ENROLLMENT. IF THE PETITION IS FOR A BUDGET AMENDMENT FOR AN ENROLLMENT INCREASE AS PROVIDED IN 20-9-161(1), THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ADJUST THE DISTRICT'S MAXIMUM GENERAL FUND BUDGET BASED ON THE APPROVED ENROLLMENT INCREASE. The superintendent of public instruction may not approve the petition unless it can be certified that the expenditures in excess of the maximum general fund budget will not continue into the ensuing school fiscal year FOR THE REASON PROVIDED IN 20-9-161(1). IF THE AMOUNT WILL CAUSE THE DISTRICT TO EXCEED THE DISTRICT'S ADJUSTED MAXIMUM GENERAL FUND BUDGET.

(b) If the petition is approved, the trustees may adopt a resolution for a budget amendment and take all other steps required for the adoption of a budget amendment. Approval of a petition by the superintendent of public instruction authorizes the board of trustees to initiate a budget amendment by resolution and does not relieve the trustees of the necessity of complying with the requirements of the school budgeting laws. Approval of the petition may not be construed as approval of any subsequent application for increased state aid on account of the budget amendment."

SECTION 17. SECTION 20-9-201, MCA, IS AMENDED TO READ:

"**20-9-201. Definitions and application.** (1) As used in this title, unless the context clearly indicates otherwise, "fund" means a separate detailed account of receipts and expenditures for a specific purpose as authorized by law or by the superintendent of public instruction under the provisions of subsection (2). Funds are classified as follows:

(a) A "budgeted fund" means any fund for which a budget must be adopted in order to expend money from the fund. The general fund, transportation fund, bus depreciation reserve fund, tuition fund, retirement fund, debt service fund, building reserve fund, adult education fund, nonoperating fund, and any other funds designated by the legislature are

budgeted funds.

(b) A "nonbudgeted fund" means any fund for which a budget is not required in order to expend money on deposit in the fund. The school food services fund, miscellaneous programs fund, building fund, lease or rental agreement fund, traffic education fund, interlocal cooperative fund, internal service fund, impact aid fund, enterprise fund, agency fund, extracurricular fund, metal mines tax reserve fund, endowment fund, and any other funds designated by the legislature are nonbudgeted funds.

(2) The school financial administration provisions of this title apply to all money of any elementary or high school district. Elementary and high school districts shall record the receipt and disbursement of all money in accordance with generally accepted accounting principles. The superintendent of public instruction has general supervisory authority as prescribed by law over the school financial administration provisions, as they relate to elementary and high school districts. The superintendent of public instruction shall adopt rules necessary to secure compliance with the law.

(3) Except as otherwise provided by law, whenever the trustees of a district determine that a fund is inactive and will no longer be used, the trustees shall close the fund by transferring all cash and other account balances to the general fund if the fund does not have a cash or fund balance deficit."

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Section 18. Section 20-9-303, MCA, is amended to read:

"20-9-303. ~~Definition----of---foundation---program-----nonisolated-school-foundation-program-financing~~ Nonisolated school BASE budget funding -- special education funds. ~~(1) As-used-in-this-title,-the-term-"foundation--program"--means the--minimum-expenditures-that-are-sufficient-to-provide-for the-educational-program-of-a-school.-The-foundation--program relates---only---to---those--expenditures--authorized--by--a district's--general--fund--budget--and---may---not---include expenditures-from-any-other-fund.-It-is-financed-by:~~

~~(a)--county--equalization-money,-as-provided-in-20-9-331 and-20-9-333;~~

~~(b)--state-equalization-aid,-as-provided-in-20-9-343;~~

~~(c)--appropriations-for-special-education;-and~~

~~(d)--a-district-levy-as-provided-in-subsection--(3)--for support-of-a-school-not-approved-as-an-isolated-school-under the-provisions-of-20-9-302.~~

~~(2)--The-foundation-program-includes:~~

~~(a)--amounts-in-support-of-general-education-programs-as provided-in-the-schedules-in-20-9-316-through-20-9-320;-and~~

~~(b)--payments--in--support-of-special-education-programs under-20-9-321.~~

~~(3)~~ An elementary school ~~having~~ that has an ANB of nine

or fewer pupils for 2 consecutive years ~~which~~ and that is not approved as an isolated school under the provisions of 20-9-302 may budget and spend the ~~schedule~~ BASE budget amount, but the county and state shall ~~participate in financing~~ provide one-half of the ~~foundation--program~~ ~~state equalization--aid--computed under 20-9-347~~ BASIC ENTITLEMENT AND TOTAL PER-ANB ENTITLEMENT, AS DEFINED IN [SECTION 1], and the district shall finance the remaining ~~one-half~~ BASE ~~budget amount~~ ONE-HALF by a tax levied on the property of the district. When a school of nine or fewer pupils is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing of the total amount of the ~~foundation-program~~ BASE budget.

~~(4)~~(2) Funds provided to support the special education ~~accounting--budget~~ PROGRAM may be expended only for special education purposes as approved by the superintendent of public instruction in accordance with the special education budgeting provisions of this title. ~~Expenditures~~ Budgeting ~~and--expenditures~~ EXPENDITURES for special education must be accounted for separately from and in addition to the balance of the school district general fund budgeting requirements provided in [sections 2 and 3]. ~~Transfers between items within the special education budget for accounting--purposes may--be--made--at the discretion of the board of trustees in accordance with the financial administration--part--of--this~~

~~title.~~ The ~~unexpended--balance~~ AMOUNT of the special education ~~accounting budget carries over to the next year to~~ ALLOWABLE COST PAYMENTS THAT IS NOT MATCHED WITH DISTRICT FUNDS, AS REQUIRED IN 20-9-321, WILL reduce ~~the amount of funding required to finance~~ BY A LIKE AMOUNT the district's ensuing year's ~~foundation--program~~ allowable cost ~~amount~~ PAYMENT for special education."

Section 19. Section 20-9-305, MCA, is amended to read:

"20-9-305. Proration and calculation of ~~foundation~~ BASE funding program for a joint district. (1) In joint districts, the ~~foundation program shall~~ BASE funding program for the BASE budget of a joint district must be prorated among the counties in which any part of the joint district is located for the purpose of determining the amount of each source of revenue for the ~~foundation-program~~ BASE funding program for which each county is obligated. The proration of the joint district ~~foundation--program--shall~~ BASE budget must be calculated as follows:

(a) Divide the joint district ~~foundation-program~~ BASE budget by the ANB of the joint district to determine the per-ANB amount of the ~~foundation-program~~ BASE budget.

(b) Determine the ANB for each county's portion of the joint district on the basis of each pupil's resident county. When taken together, the sum of the ANB assigned to all the counties ~~shall~~ must equal the total ANB for the joint

district.

(c) Multiply the per-ANB amount of the ~~foundation program~~ BASE budget determined in subsection (1)(a) by the ANB for each county's portion, as determined in subsection (1)(b), to determine the portion of the ~~foundation program~~ BASE budget for each county.

(2) The portion of a joint district ~~foundation program~~ BASE budget for each county, as determined in subsection (1)(c) ~~of this section, shall be considered as~~ is a separate ~~foundation~~ BASE budget program in ~~such~~ the county for the purposes of calculating the various revenues for the ~~foundation~~ BASE funding program. After the calculation of the ~~foundation program~~ BASE funding program revenues, the remainder of the general fund revenues ~~shall~~ must be calculated in accordance with the provisions for general fund financing."

Section 20. Section 20-9-311, MCA, is amended to read:

"**20-9-311. Calculation of average number belonging (ANB).** (1) Average number belonging (ANB) must be computed ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180. However, when~~ AS FOLLOWS:

(A) COUNT THE REGULARLY ENROLLED FULL-TIME PUPILS WHO WERE ENROLLED AS OF THE FIRST MONDAY IN OCTOBER OF THE PRIOR SCHOOL FISCAL YEAR; AND

(B) MULTIPLY THE ENROLLMENT CALCULATED IN SUBSECTION (1)(A) BY THE SUM OF THE PUPIL-INSTRUCTION AND THE APPROVED PUPIL-INSTRUCTION-RELATED DAYS FOR THE CURRENT SCHOOL YEAR AND DIVIDE BY 180.

(2) FOR THE PURPOSE OF CALCULATING ANB UNDER SUBSECTION (1), UP TO 7 APPROVED PUPIL-INSTRUCTION-RELATED DAYS MAY BE INCLUDED IN THE CALCULATION.

(3) WHEN a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil instruction days and 7 pupil instruction related days.~~

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or~~

absence-from a regular session of the program for at least 2 hours of either a morning or an afternoon session will must be counted as one-half day-attended-or-absent--as--the--case may--be PUPIL FOR ANB PURPOSES. If a variance has been granted as provided in 20-1-302, ANB will must be computed in a manner prescribed by the superintendent of public instruction, but in-no-case-may the ANB FOR A KINDERGARTEN STUDENT may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, his the absence-after-the 10th-day-of--absence PUPIL may not be included in the aggregate--days-of-absence-and his the-pupil's enrollment-in the-school-may-not-be-considered-in-the COUNT calculation of the average-number-belonging ANB until he the-pupil resumes attendance--at--school UNLESS THE PUPIL RESUMES ATTENDANCE PRIOR TO THE DAY OF THE ENROLLMENT COUNT.

(7) THE ENROLLMENT OF PREKINDERGARTEN PUPILS, AS PROVIDED FOR IN 20-7-117, MAY NOT BE INCLUDED IN THE ANB CALCULATIONS.

(2)--If-a-student-spends-less-than-half-his-time-in--the regular-program-and-the-balance-of-his-time-in-school-in-the special--education--program,--he--is--considered-a-full-time special-pupil-but-is-not-considered-regularly--enrolled--for ANB--purposes.--If-a-student-spends-half-or-more-of-his-time

in-school-in-the-regular-program-and-the-balance-of-his-time in-the-special-education-program,-he-is-considered-regularly enrolled-for-ANB-purposes.

(8) IF A STUDENT SPENDS LESS THAN HALF THE TIME IN THE REGULAR PROGRAM AND THE BALANCE OF THE TIME IN SCHOOL IN THE SPECIAL EDUCATION PROGRAM, THE STUDENT IS CONSIDERED A FULL-TIME SPECIAL PUPIL BUT IS NOT CONSIDERED REGULARLY ENROLLED FOR ANB PURPOSES. IF A STUDENT SPENDS HALF OR MORE OF THE TIME IN SCHOOL IN THE REGULAR PROGRAM AND THE BALANCE OF THE TIME IN THE SPECIAL EDUCATION PROGRAM, THE STUDENT IS CONSIDERED REGULARLY ENROLLED FOR ANB PURPOSES.

(3)(2)(9) The average--number--belonging ANB of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) (i)-a-school-of-the-district-is-located-more-than-3 miles--beyond--the--incorporated--limits--of--a-city-or-town located-in-the-district-and-3-miles-from-any-other-school-of the-district,--all--of--the--regularly--enrolled,--full-time pupils--of--the-school-must-be-calculated-separately-for-ANB purposes,-or

(ii)-a-school-of-the-district-is--located--more--than--3 miles---from--any--other--school--of--the--district--and--no incorporated-territory-is-involved-in-the-district,--all--of

~~the--regularly-enrolled,-full-time-pupils-of-the-school-must be-calculated-separately-for-ANB-purposes;~~

(I) A SCHOOL OF THE DISTRICT IS LOCATED MORE THAN 20 MILES BEYOND THE INCORPORATED LIMITS OF A CITY OR TOWN LOCATED IN THE DISTRICT AND AT LEAST 20 MILES FROM ANY OTHER SCHOOL OF THE DISTRICT, THE NUMBER OF REGULARLY ENROLLED, FULL-TIME PUPILS OF THE SCHOOL MUST BE CALCULATED SEPARATELY FOR ANB PURPOSES, AND THE DISTRICT MUST RECEIVE A BASIC ENTITLEMENT FOR THE SCHOOL CALCULATED SEPARATELY FROM THE OTHER SCHOOLS OF THE DISTRICT;

(II) A SCHOOL OF THE DISTRICT IS LOCATED MORE THAN 20 MILES FROM ANY OTHER SCHOOL OF THE DISTRICT AND NO INCORPORATED TERRITORY IS INVOLVED IN THE DISTRICT, THE NUMBER OF REGULARLY ENROLLED, FULL-TIME PUPILS OF THE SCHOOL MUST BE CALCULATED SEPARATELY FOR ANB PURPOSES, AND THE DISTRICT MUST RECEIVE A BASIC ENTITLEMENT FOR THE SCHOOL CALCULATED SEPARATELY FROM THE OTHER SCHOOLS OF THE DISTRICT; OR

(III) THE SUPERINTENDENT OF PUBLIC INSTRUCTION APPROVES AN APPLICATION NOT TO AGGREGATE WHEN CONDITIONS EXIST AFFECTING TRANSPORTATION, SUCH AS POOR ROADS, MOUNTAINS, RIVERS, OR OTHER OBSTACLES TO TRAVEL, OR WHEN ANY OTHER CONDITION EXISTS THAT WOULD RESULT IN AN UNUSUAL HARDSHIP TO THE PUPILS OF THE SCHOOL IF THEY WERE TRANSPORTED TO ANOTHER SCHOOL, THE NUMBER OF REGULARLY ENROLLED, FULL-TIME PUPILS

OF THE SCHOOL MUST BE CALCULATED SEPARATELY FOR ANB PURPOSES, AND THE DISTRICT MUST RECEIVE A BASIC ENTITLEMENT FOR THE SCHOOL CALCULATED SEPARATELY FROM THE OTHER SCHOOLS OF THE DISTRICT;

~~(b)~~(B) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

~~(c)~~~~(b)~~(C) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~~~(c)~~(D) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the ~~foundation~~ BASE funding program for the district.

~~(4)~~~~(3)~~(10) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent

of public instruction.

(11) FOR AVERAGE DAILY ATTENDANCE REPORTING PURPOSES, DISTRICTS SHALL PROVIDE THE SUPERINTENDENT OF PUBLIC INSTRUCTION WITH ANNUAL REPORTS OF SCHOOL ATTENDANCE FOR REGULARLY ENROLLED STUDENTS AND SPECIAL EDUCATION STUDENTS, USING A FORMAT DETERMINED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION."

Section 21. Section 20-9-314, MCA, is amended to read:

"**20-9-314. Procedures for determining eligibility and amount of increased average number belonging due to unusual enrollment increase.** A district that anticipates an unusual increase in enrollment in the ensuing school fiscal year, as provided for in 20-9-313(4), may increase its ~~foundation program~~ total per-ANB entitlement for the ensuing school fiscal year in accordance with the following provisions:

(1) Prior to May 10, the district shall estimate the elementary or high school enrollment to be realized during the ensuing school fiscal year, based on as much factual information as may be available to the district.

(2) No later than May 10, the district shall submit its application for an unusual enrollment increase by elementary or high school level to the superintendent of public instruction. The application must include:

(a) the enrollment for the preceding school fiscal year;

(b) the average number belonging used to calculate the ~~foundation-program-schedule-amount~~ total per-ANB entitlement for the current school fiscal year;

(c) the average number belonging that will be used to calculate the ~~foundation--program--schedule--amount~~ total per-ANB entitlement for the ensuing school fiscal year;

(d) the estimated enrollment, including the factual information on which the estimate is based, as provided in subsection (1); and

(e) any other information or data that may be requested by the superintendent of public instruction.

(3) The superintendent of public instruction shall immediately review all the factors of the application and shall approve or disapprove the application or adjust the estimated average number belonging for the ensuing ANB calculation period. After approving an estimate, with or without adjustment, the superintendent of public instruction shall:

(a) determine the percentage increase that the estimated enrollment increase is over the current enrollment; and

(b) approve an increase of the average number belonging used to establish the ensuing year's ~~foundation--program~~ total per-ANB entitlement in accordance with subsection (5) if the increase in subsection (3)(a) is at least 6%.

(4) The superintendent of public instruction shall notify the district of the decision by the fourth Monday in June.

(5) Whenever an unusual enrollment increase is approved by the superintendent of public instruction, the increase of the average number belonging used to establish the ~~foundation-program~~ total per-ANB entitlement for the ensuing ANB calculation period is the difference between the enrollment for the ensuing school fiscal year and 106% of the current enrollment. The amount determined is the maximum allowable increase added to the average number belonging for the purpose of establishing the ensuing year's ~~foundation program~~ total per-ANB entitlement.

(6) Any ~~equalization or~~ entitlement increases resulting from provisions of this section must be reviewed at the end of the ensuing school fiscal year. If the actual enrollment is less than the average number belonging used for ~~foundation~~ BASE funding program and entitlement calculations, the superintendent of public instruction shall revise the ~~foundation-program and~~ total per-ANB entitlement calculations using the actual average number belonging. All ~~payments~~ total per-ANB entitlements received by the district in excess of the revised entitlements are overpayments subject to the refund provisions of 20-9-344(3).

(7) (A) IMMEDIATELY UPON COMPLETION OF THE OCTOBER ENROLLMENT COUNT PROVIDED FOR IN 20-9-311, THE DISTRICT CLERK OF A SCHOOL DISTRICT THAT ANTICIPATED AN ENROLLMENT INCREASE AND, ACCORDINGLY, INCREASED THE DISTRICT ANB UNDER THE PROVISIONS OF THIS SECTION SHALL RECALCULATE THE DISTRICT BASE BUDGET AND THE MAXIMUM GENERAL FUND BUDGET IN ACCORDANCE WITH [SECTION 3], USING THE OCTOBER ENROLLMENT COUNT. IF THE ACTUAL ENROLLMENT IS LESS THAN THE ANTICIPATED ENROLLMENT, THE DISTRICT CLERK SHALL RECALCULATE THE DISTRICT LEVY REQUIREMENT AND NOTIFY THE COUNTY SUPERINTENDENT, COUNTY ASSESSOR, AND COUNTY TREASURER OF THE REDUCED LEVY REQUIREMENT.

(B) AT THE NEXT REGULARLY SCHEDULED MEETING OF THE BOARD OF TRUSTEES OF THE DISTRICT, THE TRUSTEES SHALL ADOPT A REVISED BUDGET AND NOTIFY THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE COUNTY SUPERINTENDENT OF SCHOOLS OF THE REVISED BUDGET AND LEVY REQUIREMENTS."

Section 22. Section 20-9-321, MCA, is amended to read:

"20-9-321. ~~Foundation--program~~ Allowable cost ~~amount~~ PAYMENT and contingency funds for special education. (1) For the purpose of establishing the ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for a current year special education program for a school district, the superintendent of public instruction shall determine the total estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the

district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program:

(a) the estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431;

(b) the number of pupils expected to be enrolled in the program; and

(c) any other data required by the superintendent of public instruction for budget justification purposes and to administer the provisions of ~~20-9-315-through-20-9-321~~ this section.

(2) The total amount of allowable costs approved by the superintendent of public instruction is the special education ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for current year special education program purposes. ~~The total-amount-of-allowable-costs-that-are--approved--for--the special--education--budget--may-not,-under-any-condition,-be less-than-the-foundation-program-amount-for-one-regular--ANB for-each-full-time-special-pupil-in-the-school-district.~~

~~(3)--Any-amount-of-the-special-education-allowable-costs for--a--district-approved-under-the-provisions-of-subsection (2)-that-is-an-increase-in-the-approved-allowable-costs-from the-previous-school-fiscal-year-and-is-a-result-of--expanded programs---or---recalculations---of--the--special--education~~

~~allowable-costs-base-may-be-deposited--and--managed--in--the separate--account--of-the-miscellaneous-programs-fund-of-the district-that-is-prescribed-in-subsection-(4).~~

~~(4)~~(3) If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district ~~foundation-program~~ general fund budget for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the ~~foundation-program~~ allowable cost ~~amount~~ PAYMENT for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.

~~(5)~~(4) (a) The special education contingency funds in subsection ~~(4)~~ (3):

(i) are biennially appropriated;

(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and

(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.

(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.

~~(6)~~(5) ~~The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program allowable cost amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program allowable cost amount for special education must be added to the foundation program general fund budget amount of the regular program AND defined in 20-9-311 and 20-9-313 calculated for the district~~ under the provisions of ~~[sections 2 and 3]~~ to obtain the ~~total foundation program general fund budget amount for the district.~~ THE SUM OF THE ALLOWABLE COST PAYMENT IN SUBSECTION (2) AND ANY CONTINGENCY FUNDS IN SUBSECTION ~~(4)~~ (3) IS THE SPECIAL EDUCATION BUDGET AMOUNT FOR ACCOUNTING PURPOSES. THE SPECIAL EDUCATION BUDGET MUST BE ADDED TO THE BASE FUNDING PROGRAM BUDGET CALCULATED UNDER THE PROVISIONS OF [SECTION 3] TO OBTAIN THE TOTAL BASE FUNDING PROGRAM BUDGET."

SECTION 23. SECTION 20-9-321, MCA, IS AMENDED TO READ:

"20-9-321. ~~Foundation program and contingency funds~~ Allowable cost payment for special education. (1) For the purpose of establishing the ~~foundation program amount~~ allowable cost payment for a current year special education program for a school district, the superintendent of public instruction shall determine the total ~~estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program~~ special education payment for special education services to a school district, cooperative, or joint board formed under 20-3-361 prior to July 1, 1992, using the following factors:

(a) the ~~estimated allowable costs associated with operating the program where allowable costs are as defined~~

~~in--20-7-431~~ district ANB student count as established pursuant to 20-9-311 and 20-9-313;

(b) ~~the-number-of-pupils-expected-to-be-enrolled-in-the program~~ a per-ANB amount for the special education instructional block grant; ~~and~~

(c) a per-ANB amount for the special education related services block grant;

(d) weighted cost factors for cooperatives or joint boards meeting the requirements of 20-7-457, to compensate for the additional costs of operations and maintenance, travel, supportive services, recruitment, and administration;

(e) district and cooperative expenditure reports; and

~~(c)~~(f) any other data required by the superintendent of public instruction ~~for-budget-justification-purposes-and~~ to administer the provisions of ~~20-9-315-through-20-9-321~~ this section.

~~(2) The-total-amount-of-allowable-costs-approved-by-the superintendent--of--public--instruction---is---the---special education-foundation-program-amount-for-current-year-special education--program--purposes.--The-total-amount-of-allowable costs-that-are-approved-for-the-special-education-budget-may not,-under--any--condition,--be--less--than--the--foundation program--amount--for--one--regular--ANB--for--each-full-time special-pupil-in--the--school--district.~~ Special education

allowable cost payments must be granted to each school district and cooperative with a special education program as follows:

(a) An instructional block grant must be awarded to each school district, based on the district ANB and the per-ANB special education instructional amount.

(b) A special education related services block grant must be awarded to each school district that is not a cooperative member, based on the district ANB and the per-ANB special education related services amount. The special education related services block grant amount for districts that are members of approved cooperatives or a joint board must be awarded to the cooperatives or joint board. If a cooperative or joint board meets the requirements of 20-7-457, the special education related services block grant must be weighted for the factors in subsection (1)(d).

(3) The superintendent of public instruction shall annually determine the per-ANB special education instructional and special education related services block grant amounts based on the prior years' trustees' expenditure data for special education instruction and related services.

(4) The superintendent of public instruction shall adopt rules necessary to implement this section.

(5) A district shall provide a 25% local contribution for special education, matching every $3 of state special education instructional and special education related services block grants with at least one local dollar. A district that is a cooperative member is required to provide the 25% match of the special education related services grant amount to the special education cooperative, but the district is not required to match the weighted funding factors.

(6) The superintendent of public instruction shall determine the actual district match based on the trustees' reports. Any unmatched portion reverts to the state and must be subtracted from the district's ensuing year's foundation program payment.

(7) If a district's allowable costs of special education, as verified by the trustees' reports, exceed by at least 10% the total of the special education instructional and special education related services block grant plus the required district match, the district is eligible for a 65% reimbursement of the costs that exceed the additional 10%. A district that demonstrates severe economic hardship because of exceptional special education costs may apply to the superintendent of public instruction for an advance on the reimbursement for the year in which the actual costs will be incurred.

~~(3)~~(8) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in ~~subsection--(4)~~ 20-9-507.

~~(4)--If-a-special-education-program--is--implemented--or expanded--during-a-given-school-term-too-late-to-be-included in-the-determination-of-the-district-foundation-program--for the--school-year-as-prescribed-in-this-part,-allowable-costs approved-under-the-budgeting-provisions-of--subsections--(1) and--(2)--for--the-operation-of-the-program-during-the-given year-must-be-funded-from-any-legislative--appropriation--for contingency--financing--for--special--education.--Contingency funds-granted-under-this-subsection-must-be-deposited--in--a separate--account--of-the-miscellaneous-programs-fund-of-the district-as-provided-in-20-9-507.--However,--if--contingency funds-are-not-available,-then-subject-to-the-approval-of-the program--by--the--superintendent--under-the-budget-amendment provisions-of-20-9-161(6),-allowable--costs--for--the--given year--may--be--funded--in-the-miscellaneous-programs-fund-by other-revenue-sources-and-added-to--the--foundation--program~~

~~amount--for-special-education-for-the-subsequent-school-year under-the-provisions-of-20-9-147.-The-allowable--costs--must be--recorded--as-previous-year-special-education-expenses-in the-school-district-budget-for-the-subsequent-school-year.~~

~~(5)--(a)-The--special--education--contingency--funds--in subsection-(4):~~

~~(i)--are-biennially-appropriated;~~

~~(ii)-are-for-emergencies-that-may-arise-in--the--special education--programs-of-school-districts-or-special-education cooperatives;-and~~

~~(iii)-may-be-used--to--fund--positions--that--have--gone unfilled--for--a-full-school-fiscal-year-and-for-which-state special-education-funds-were-not-awarded.~~

~~(b)--The--board--of--trustees--of--a--district--or---the management--board--of--a--special--education-cooperative-may apply--for--contingency--funding--by---submitting---to---the superintendent-of-public-instruction,-in-the-form-prescribed by---the---superintendent--of--public--instruction,--written documentation-that-describes-the-need-for-the-funds.~~

~~(6)--The-sum-of--the--previous--year--special--education expenses--as--defined--in--subsections--(3)--and-(4)-and-the foundation-program-amount-for-current-year-special-education as-defined--in--subsections--(1)--and--(2)--is--the--special education-budget-for-accounting-purposes.~~

~~(7)--The-foundation-program-amount-for-special-education~~

~~must--be--added--to--the--foundation--program--amount-of-the regular-program-ANB-defined--in--20-9-311--and--20-9-313--to obtain---the---total---foundation--program--amount--for--the district.~~"

Section 24. Section 20-9-343, MCA, is amended to read:

"**20-9-343. (Temporary) Definition of and revenue for state equalization aid.** (1) As used in this title, the term "state equalization aid" means the money deposited in the state special revenue fund as required in this section plus any legislative appropriation of money from other sources for:

(a) distribution to the public schools for the payment of guaranteed tax base aid and for equalization of the foundation program;

(b) the Montana educational telecommunications network as provided in 20-32-101; and

(c) filing fees for school district audits as required by 2-7-514(2).

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid, as required by subsections (1)(a) and (1)(b), throughout the biennium.

(3) The following must be paid into the state special revenue fund for state equalization aid to public schools of the state:

(a) money received from the collection of income taxes

under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the

state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L. 1991.)

20-9-343. (Effective July 1, 1993) Definition of and revenue for state equalization aid account. (1) As used in this title, the term "state equalization aid account" means the ~~money--deposited~~ account in the state special revenue fund that receives revenue as required in this section plus any legislative appropriation of money from other sources for distribution to the public schools for the purposes of payment of ~~guaranteed-tax-base-aid-and-equalization-of-the foundation-program~~ SYSTEMS DEVELOPMENT AND OTHER RELATED COSTS RESULTING FROM THE ENACTMENT OF LEGISLATION THAT REQUIRES CHANGES TO THE AUTOMATED SYSTEM USED TO ADMINISTER THE BASE FUNDING PROGRAM, GUARANTEED TAX BASE AID, ~~state equalization~~ BASE aid, AND MATCHING FUNDS FROM THE STATE EQUALIZATION AID ACCOUNT FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT, and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend

funds appropriated ~~for~~ from the state equalization aid account as required for the purposes of ~~guaranteed-tax--base aid,--the--foundation~~ SYSTEMS DEVELOPMENT AND OTHER RELATED COSTS RESULTING FROM THE ENACTMENT OF LEGISLATION THAT REQUIRES CHANGES TO THE AUTOMATED SYSTEM USED TO ADMINISTER THE BASE FUNDING PROGRAM, GUARANTEED TAX BASE AID, ~~state equalization~~ BASE aid for the BASE funding program~~,~~, and the Montana educational telecommunications network, throughout the biennium, AND FOR THE BIENNIUM BEGINNING JULY 1, 1993, 0.128% FOR EQUIPMENT PURCHASES THAT QUALIFY AS THE STATE MATCH FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT.

(3) The following must be paid into the ~~state-special revenue-fund-for~~ state equalization aid to account for the public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as

amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account ~~in-the-second-year-of-a--biennium--may--be--used--to reduce--any--appropriation--required-for-the-next-succeeding biennium~~ AT THE END OF A FISCAL YEAR MUST BE TRANSFERRED TO THE GENERAL FUND."

Section 25. Section 20-9-344, MCA, is amended to read:

~~"20-9-344. Purpose-of-state-equalization-aid-and-duties~~

Duties of board of public education for distribution of ~~state-equalization~~ BASE aid. (1) ~~The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ BASE aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ BASE aid and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ BASE aid, the board of public education may not increase or decrease the ~~state equalization~~ BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ BASE aid or order the county superintendent of schools to withhold county equalization money from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more ~~state equalization~~ BASE aid than it is entitled to, the county

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treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation-program-payment-and--guaranteed--tax--base~~ state equalization BASE aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ OCTOBER of the school fiscal year, ~~8%~~ 10% of the ~~foundation--program--payment~~ state equalization BASE aid amount, excluding any guaranteed tax base aid, to each district;

(B) FROM DECEMBER TO APRIL OF THE SCHOOL FISCAL YEAR, 10% OF THE STATE EQUALIZATION AID AMOUNT, EXCLUDING ANY GUARANTEED TAX BASE AID, TO EACH DISTRICT;

~~(b)~~(C) in November of the school fiscal year, one-half of the guaranteed tax base aid payment to each district or county THAT HAS SENT A FINAL BUDGET TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH THE PROVISIONS OF 20-9-134;

~~(c)~~(D) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district or county; and

~~(d)~~(E) in June of~~:~~

~~(i)--the--1993--school--fiscal--year,--one-half--of--the~~

~~remaining-foundation-program-payment-of-each-district-and-on~~ ~~July--15,--1993,--the--remaining--school--fiscal--year--1993~~ ~~foundation-program-payment-of-each-district;-and~~

~~(ii)~~ the school fiscal year, ONE-HALF OF the remaining ~~foundation--program~~ payment to each district of ~~state~~ ~~equalization~~ BASE aid, excluding any guaranteed tax base aid, AND ON THE FOLLOWING JULY 15, THE REMAINING PAYMENT TO EACH DISTRICT OF ~~STATE-EQUALIZATION~~ BASE AID, EXCLUDING ANY GUARANTEED TAX BASE AID FOR THE SCHOOL FISCAL YEAR ENDING ON THE PRECEDING JUNE 30.

~~(7)~~(6) The distribution ~~of-foundation-program--payments and--guaranteed--tax-base-aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

SECTION 26. SECTION 20-9-346, MCA, IS AMENDED TO READ:

"**20-9-346. Duties of the superintendent of public instruction for state equalization aid distribution.** The superintendent of public instruction shall administer the distribution of the state equalization aid by:

(1) establishing the annual entitlement of each district and county to state equalization aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the state equalization aid allocation

procedure prescribed in 20-9-347;

(2) distributing by ~~state---warrant--or~~ electronic transfer the state equalization aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for state equalization aid, state advances for county equalization, and the entitlements for state equalization aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for state equalization aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of state equalization aid during the preceding 2 school fiscal years;

(b) the amount of state equalization aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for state equalization aid; and

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(e) the amount of state advances and repayment for county equalization."

Section 27. Section 20-9-347, MCA, is amended to read:

"**20-9-347. Formula for ~~state--equalization~~ BASE aid apportionment in support of ~~foundation~~ BASE funding program -- exceptions.** (1) The superintendent of public instruction shall apportion the ~~state-equalization~~ BASE aid available for support of the ~~foundation~~ BASE funding program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:

(a) Determine the percentage that the total funds available to all counties in the state in support of the ~~foundation~~ BASE funding program (including the state money available for ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all counties.

(b) Determine the percentage that the total funds available in each county in support of the ~~foundation~~ BASE funding programs in the county (excluding state money available for ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all districts of the county.

(c) Counties in which the percentage determined in

subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program.

(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the ~~foundation~~ BASE funding program (including the state money available for ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program) is of the total amount of the ~~foundation~~ BASE funding programs of all remaining counties.

(e) Each district of each remaining county is entitled to an apportionment of the ~~state-equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the ~~foundation~~ BASE funding program amount for the district.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a report of the apportionments of ~~state equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program of each district of the county, and the ~~state-equalization~~ BASE aid in support of the ~~foundation~~

BASE funding program must be apportioned to the districts in accordance with the report;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation-program-and-guaranteed-tax base~~ state--equalization BASE aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~(8).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing--in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state~~ BASE AID and county equalization

aid."

SECTION 28. SECTION 20-9-348, MCA, IS AMENDED TO READ:

"20-9-348. Estimation of state--equalization BASE aid for budget purposes. The apportionment of from the state equalization aid shall be account is the second source of revenue in calculating the financing of the elementary district foundation BASE funding program and the high school district foundation BASE funding program. In order to allow for the estimation of the amount of money to be realized from this source of revenue when the county superintendent is estimating the general fund budget revenues, the county superintendent shall consider that the state foundation program--revenues equalization BASE aid money, STATE SPECIAL EDUCATION APPROPRIATION, and county equalization moneys money, together, will be capable of financing 100% of the foundation BASE funding program."

Section 29. Section 20-9-351, MCA, is amended to read:

"20-9-351. Funding of deficiency in state-equalization BASE aid. If the money available for state-equalization BASE aid is not the result of a reduction in spending under 17-7-140 and is not sufficient to provide the foundation program-schedule-support--determined--in--20-9-348--and--the guaranteed--tax--base--aid--required--under-20-9-366-through 20-9-369 GUARANTEED TAX BASE AID REQUIRED UNDER 20-9-366 THROUGH 20-9-369 AND state--equalization BASE aid support

determined under 20-9-347, the superintendent of public instruction shall request the budget director to submit a request for a supplemental appropriation in the second year of the biennium that is sufficient to complete the funding of guaranteed-tax-base-aid-and-the--foundation--programs--of the---elementary---or--secondary--schools,--or--both, state equalization BASE aid for the elementary and high school districts for the current biennium."

Section 30. Section 20-9-353, MCA, is amended to read:

"20-9-353. Additional levy FINANCING for general fund -- election for authorization to impose. (1) Except as limited by 20-9-315(2) [section 3], the trustees of a district may propose to adopt a general fund budget in excess of the foundation-program-and-the-permissive maximum general fund budget amount for the district for-any--of--the following-purposes:

(a)--building,--altering,--repairing,--or--enlarging-any schoolhouse-of-the-district;

(b)--furnishing-additional--school--facilities--for--the district;

(c)--acquisition-of-land-for-the-district;

(d)--proper--maintenance--and--operation--of--the-school programs-of-the-district;-or

(e)--severance-pay-for-district-employees.

(2) When EXCEPT AS PROVIDED IN [SECTION 3(3)(B)(4)(B)],

WHEN the trustees of a district determine that an additional amount of financing is required for the general fund budget that is in excess of the ~~statutory-schedule-amount-and-the permissive~~ maximum general fund budget amount, the trustees shall submit the proposition ~~of-an-additional-levy-to-raise~~ TO FINANCE the excess amount of general fund financing to the electors who are qualified under 20-20-301 to vote upon the proposition~~,-except-that-an-election-is-not-required--to permit--the--school--trustees--to-use-any-funds-available-to finance-the-additional-amount-other-than-those-funds--to--be raised--by-the-additional-levy~~. The special election must be called and conducted in the manner prescribed by this title for school elections. The ballot for the election must state only the amount of money to be ~~raised-by-additional-property taxation~~ FINANCED, the approximate number of mills required to raise ALL OR A PORTION OF the money, and the purpose for which the money will be expended. The ballot must be in the following format:

PROPOSITION

Shall ~~a--levy--be--made--in--addition--to--the---levies authorized-by-law-in-the-number-of-mills-as-may-be-necessary~~ THE DISTRICT BE AUTHORIZED to raise the sum of (state the amount to be raised ~~by--additional--tax--levy~~), and being approximately (give number) mills, for the purpose of (insert the purpose for which the additional ~~tax-levy~~

FINANCING is made)?

FOR ~~the~~ BUDGET AUTHORITY AND ANY levy.

AGAINST ~~the~~ BUDGET AUTHORITY AND ANY levy.

(3) If the election on any additional ~~levy~~ FINANCING for the general fund is approved by a majority vote of the electors voting at the election, the proposition carries and the trustees may use any portion or all of the authorized amount in adopting the preliminary general fund budget. The trustees shall certify ~~the~~ ANY additional levy amount authorized by the special election on the budget form that is submitted to the county superintendent, and the county commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the district, as prescribed in 20-9-141, to raise the amount of the additional levy.

(4) Authorization to levy an additional tax under the provisions of this section is effective for only 1 school fiscal year and must be authorized by a special election conducted before August 1 of the school fiscal year for which it is effective.

(5) IF THE TRUSTEES OF A DISTRICT ~~CHOOSE--TO--OR~~ ARE REQUIRED TO SUBMIT A PROPOSITION ~~FOR~~ TO FINANCE A BASE BUDGET AMOUNT, AS PROVIDED IN [SECTION 3(2)(B)], OR AN OVER-BASE BUDGET ~~LEVY~~ AMOUNT, AS PROVIDED IN [SECTION 3(3)(B)], TO THE ELECTORS OF THE DISTRICT ~~AS-PROVIDED-IN~~

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~~(SECTION 3)~~, THE TRUSTEES SHALL COMPLY WITH THE PROVISIONS OF SUBSECTIONS (2) THROUGH (4)."

Section 31. Section 20-9-366, MCA, is amended to read:

"**20-9-366. Definitions.** As used in 20-9-366 through 20-9-369, the following definitions apply:

(1) "County retirement ~~mill~~ taxable value per elementary ANB" or "county retirement ~~mill~~ taxable value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year ~~foundation-program~~ total per-ANB entitlement amounts.

(2) (A) "DISTRICT GUARANTEED TAX BASE RATIO" FOR GUARANTEED TAX BASE FUNDING FOR THE BASE BUDGET OF AN ELIGIBLE DISTRICT MEANS THE TAXABLE VALUATION IN THE PREVIOUS YEAR OF ALL PROPERTY IN THE DISTRICT DIVIDED BY 40% OF THE DISTRICT'S CURRENT YEAR MAXIMUM GENERAL FUND BUDGET.

(B) "District ~~mill~~ taxable value per ANB", FOR DEBT SERVICE AND RETIREMENT PURPOSES, means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation-program~~ total per-ANB entitlement amount.

~~(3) "Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~(a) "Statewide ~~mill~~ taxable value per elementary ANB" or "statewide ~~mill~~ taxable value per high school ANB", for ~~permissive and~~ DEBT SERVICE AND retirement guaranteed tax base purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation-program~~ total per-ANB entitlement amounts.

(b) "Statewide ~~taxable value per elementary ANB or statewide taxable value per high school ANB~~ GUARANTEED TAX BASE RATIO FOR ELEMENTARY DISTRICTS" OR "STATEWIDE GUARANTEED TAX BASE RATIO FOR HIGH SCHOOL DISTRICTS", for guaranteed tax base funding for the BASE budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by ~~236% 303% 198% 195% 196%~~ 191% and ~~divided by 1,000, with the quotient~~ divided by 40% OF the total state ~~elementary~~

ANB--count-or-the-total-state-high-school-ANB-amount-used-to calculate-the elementary school districts' and high school districts' current year total per-ANB-entitlement MAXIMUM GENERAL FUND BUDGET amounts."

Section 32. Section 20-9-367, MCA, is amended to read:

"**20-9-367. Eligibility to receive guaranteed tax base aid.** (1) If the district mill taxable value--per--ANB GUARANTEED TAX BASE RATIO of any elementary or high school district is less than the corresponding statewide district mill taxable value--per--elementary-ANB-or-high-school-ANB GUARANTEED TAX BASE RATIO FOR ELEMENTARY DISTRICTS OR STATEWIDE GUARANTEED TAX BASE RATIO FOR HIGH SCHOOL DISTRICTS, the district may receive guaranteed tax base aid based on the number of mills levied, INCLUDING MILLS THAT WOULD HAVE BEEN LEVIED HAD THE DISTRICT NOT ELECTED TO TRANSFER PUBLIC LAW 81-874 FUNDS TO THE GENERAL FUND IN LIEU OF LEVYING THE MILLS, in the district in support of its permissive--amount--of--the up to 35% 40% of the basic entitlement and up to 35% 40% of the total per-ANB entitlement budgeted within the general fund budget.

(2) If the county retirement mill taxable value per elementary ANB or, THE county retirement mill taxable value per high school ANB, OR THE DISTRICT TAXABLE VALUE PER ANB is less than the corresponding statewide county-mill taxable value per elementary ANB or high school ANB, the county may

receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county."

Section 33. Section 20-9-368, MCA, is amended to read:

"**20-9-368. Amount of guaranteed tax base aid -- reversion.** (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill taxable value per elementary ANB and the statewide county-mill taxable value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill taxable value per high school ANB and the statewide county-mill taxable value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.

(3) The amount of guaranteed tax base aid per-ANB that a district may receive in support of its-permissive-amount of-the up to 35% 40% of the basic entitlement and, up to 35%

40% of the total per-ANB entitlement budgeted within the general fund budget, AND UP TO 40% OF THE SPECIAL EDUCATION PAYMENT is ~~the difference between the district mill~~ taxable value ~~per ANB and the corresponding statewide district mill~~ taxable value per ANB~~, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ CALCULATED IN THE FOLLOWING MANNER:

(A) MULTIPLY 40% OF THE DISTRICT'S CURRENT YEAR MAXIMUM GENERAL FUND BUDGET AMOUNT BY THE CORRESPONDING STATEWIDE GUARANTEED TAX BASE RATIO;

(B) SUBTRACT THE TAXABLE VALUATION OF THE DISTRICT FROM THE PRODUCT OBTAINED IN SUBSECTION (3)(A); AND

(C) DIVIDE THE REMAINDER BY 1,000 TO DETERMINE THE EQUIVALENT TO THE DOLLAR AMOUNT OF GUARANTEED TAX BASE AID FOR EACH MILL LEVIED.

(4) THE AMOUNT OF GUARANTEED TAX BASE AID PER ANB THAT A DISTRICT MAY RECEIVE IN SUPPORT OF ITS DEBT SERVICE FUND BUDGET IS SUBJECT TO THE PROVISIONS OF [SECTION ~~41~~ 39] AND IS THE DIFFERENCE BETWEEN THE DISTRICT MILL VALUE PER ANB AND THE CORRESPONDING STATEWIDE MILL VALUE PER ANB, MULTIPLIED BY THE NUMBER OF MILLS LEVIED IN SUPPORT OF THE DISTRICT'S DEBT SERVICE FUND BUDGET AND MULTIPLIED BY THE PERCENTAGE OF THE TOTAL PRINCIPAL AMOUNT OF ITS PROPOSED BOND AMOUNT THAT MEETS THE REQUIREMENTS OF [SECTION ~~41(1)(B)~~ 39(1)(B)].

~~(4)~~(5) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

~~SECTION 34.~~ ~~SECTION 20-6-401, MCA, IS AMENDED TO READ:~~

~~"20-6-401. Definitions. As used in this part, unless the context clearly indicates otherwise, the following definitions apply:~~

~~(1) "Component districts" means the elementary or high school districts incorporated into the enlarged district.~~

~~(2) "Eligible pupils" means the average number belonging (ANB) in the operating schools of the component districts and the tuition pupils residing in the component districts and attending another district's school under the tuition provisions of the school laws, except that the pupils residing in the component district having the largest total number of pupils are ineligible for bonus payment consideration.~~

~~(3) "Enlarged district" means the elementary or high~~

school---district---resulting---from--the--consolidation--or annexation-of-two-or-more-component-districts.

(4)--"General-bonus-payment"-for-first--and-second-class school-districts-must-be-$450-per-eligible--pupil--per--year for--a--period--of--3--years and--must--be-deposited-in-the enlarged-district's-general-fund.-General-bonus-payment--for third-class-school-districts-must-be-$750-per-eligible-pupil per--year--for--a-period-of-3-years-and-must-be-deposited-in the-enlarged-district's--general--fund.--The--general--bonus payment--must-be-made-from-the-state-school-equalization-aid account.

(5)--"Transportation-bonus-payment"-is-the-provision--of 66-2/3%--state--financing--of-the-on-schedule-transportation amount-as-provided-by-the-transportation-provisions--of--the school---laws.---When--an--eligible--pupil--is--entitled--to transportation,-the-enlarged-district--is--entitled--to--the transportation--bonus--payment--for-the-eligible-pupil-for-a period-of-3-years.-The-payment-must-be-made-from--the--state transportation--aid-account.-When-the-eligible-pupil-rides-a bus-providing-transportation-for-ineligible-pupils,--the--66 2/3%--state--financing--of--the--on-schedule-amount-for-this payment-must--be--prorated--to--provide--financing--for--the eligible-pupil."

SECTION 35. SECTION 20-6-406, MCA, IS AMENDED TO READ:

"20-6-406.--Disbursal--and-deposit-of-bonus-payments.-On

or-before-June-30-of-the-next-3-consecutive-years--following the--year--of--application,--the--superintendent--of--public instruction--shall--disburse-the-bonus-payments-for-approved applications-to--the--enlarged--school--district,--and--such disbursement--is--statutorily--appropriated--as--provided-in 17-7-502.-The-general-bonus-payment-shall--be--deposited--by the-county-treasurer-in-the-enlarged-district's-general-fund or--building--reserve--fund,--and--the--transportation-bonus payment-shall-be-deposited-by-the-county--treasurer--in--the transportation--fund.--These--bonus--payments--shall--not-be considered-as-a-part-of-the-regular state-equalization BASE aid--or--state--transportation--aid-received-by-the-enlarged district."

SECTION 34. SECTION 20-9-311, MCA, IS AMENDED TO READ:

"20-9-311. Calculation of average number belonging (ANB). (1) Average number belonging (ANB) must be computed by-determining-the-total-of-the-aggregate-days-of-attendance by-regularly-enrolled,-full-time-pupils--during--the--second semester--of--the-preceding-school-fiscal-year-and-the-first semester--of--the--current--school--fiscal--year--plus---the aggregate--days--of-absence-by-regularly-enrolled,-full-time pupils-during-the-second-semester-of--the--preceding--school fiscal--year--and--the--first-semester-of-the-current-school fiscal-year-and-by-dividing-the-total-by-180 as follows:

(a) compute an average enrollment by adding a count of

regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divided by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) ~~However, when~~ When a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil instruction days and 7 pupil instruction related days.~~

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or~~

~~absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half ~~day attended or absent as the case may be~~ pupil for ANB purposes. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB for a kindergarten student may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, ~~his absence after the 10th day of absence~~ the pupil may not be included in the ~~aggregate days of absence and his~~ enrollment ~~in the school may not be considered~~ count used in the calculation of the ~~average number belonging until he resumes attendance at school~~ ANB unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time~~

~~in-school-in-the-regular-program-and-the-balance-of-his-time in-the-special-education-program,-he-is-considered-regularly enrolled-for-ANB-purposes.~~

~~(3)~~(8) The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

~~(a)--(i)-a-school-of-the-district-is-located-more-than-3 miles-beyond-the-incorporated--limits--of--a--city--or--town located-in-the-district-and-3-miles-from-any-other-school-of the--district,--all--of--the--regularly--enrolled,-full-time pupils-of-the-school-must-be-calculated-separately--for--ANB purposes;-or~~

~~(ii)-a--school--of--the--district-is-located-more-than-3 miles--from--any--other--school--of--the--district--and---no incorporated--territory--is-involved-in-the-district,-all-of the-regularly-enrolled,-full-time-pupils-of-the-school--must be-calculated-separately-for-ANB-purposes;~~

~~(b)~~(a) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

~~(c)~~(b) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

~~(d)~~(c) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~(9) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent."

SECTION 35. SECTION 20-9-369, MCA, IS AMENDED TO READ:

"20-9-369. Duties of superintendent of public instruction and department of revenue. (1) The superintendent of public instruction shall administer the distribution of guaranteed tax base aid by:

(a) providing each school district and county superintendent, by March 1 of each year, with the preliminary statewide ~~and--county--mill--values--per---ANB~~ guaranteed tax base ratios and, by May 1 of each year, with the final statewide, and district, ~~and--county--mill--values per--ANB~~ guaranteed tax base ratios, for use in calculating the guaranteed tax base aid available for the ensuing school fiscal year;

(b) providing each county superintendent, by March 1 of each year, with the preliminary statewide and county mill values per ANB and, by May 1 of each year, with the final statewide and county mill values per ANB, for use in calculating the guaranteed tax base aid available to counties for the ensuing school fiscal year;

~~(b)~~(c) requiring each county and district that qualifies and applies for guaranteed tax base aid to report to the county superintendent all budget and accounting information required to administer the guaranteed tax base aid;

~~(c)~~(d) keeping a record of the complete data concerning appropriations available for guaranteed tax base aid and the entitlements for ~~such~~ the aid of the counties and districts that qualify;

~~(d)~~(e) distributing the guaranteed tax base aid entitlement to each qualified county or district from the

appropriations for that purpose.

(2) The superintendent shall adopt rules necessary to implement 20-9-366 through 20-9-369.

(3) The department of revenue shall provide the superintendent of public instruction by December 1 of each year a final determination of the taxable value of property within each school district and county of the state reported to the department of revenue based on information delivered to the county clerk and recorder as required in 15-10-305."

SECTION 36. SECTION 20-9-406, MCA, IS AMENDED TO READ:

"**20-9-406. Limitations on amount of bond issue.** (1) (a) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which an elementary district or a high school district may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the taxable value of the property subject to taxation as ascertained by the last completed assessment for state, county, and school taxes previous to the incurring of the indebtedness, ~~including:~~

~~(i)--the---taxable--value--of--coal--gross--proceeds--as determined-for-county-bonding-purposes-in-15-23-703(2);~~

~~(ii)-the-taxable-value-of-oil-and-gas--net--proceeds--as determined-for-county-bonding-purposes-in-15-23-607(3);-and~~

~~(iii)-the--amount--of-the-value-of-any-other-oil-and-gas~~

~~production-occurring-after-December-31,-1988,-multiplied--by 60%.~~

(b) ~~The~~ Except as provided in subsection (1)(c), the maximum amount for which a K-12 school district, as formed pursuant to 20-6-701, may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is up to 90% of the taxable value of the property subject to taxation as ascertained by the last-completed assessment for state, county, and school taxes previous to the incurring of the indebtedness. The total indebtedness of the high school district with an attached elementary district ~~as-represented by--the--issuance-of-bonds~~ must be limited to the sum of 45% of the taxable value of the property for elementary school program purposes and 45% of the taxable value of the property for high school program purposes.

(c) The maximum amount for which an elementary district or a high school district that qualifies for guaranteed tax base aid under the provisions of 20-9-367 may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the corresponding statewide mill value per ANB times 1,000 times the ANB of the district. For a K-12 district, the maximum amount for which the district may become indebted is 45% of the sum of

the statewide mill value per elementary ANB times 1,000 times the elementary ANB of the district and the statewide mill value per high school ANB times 1,000 times the high school ANB of the district.

(2) The maximum amounts determined in subsection (1), however, may not pertain to indebtedness imposed by special improvement district obligations or assessments against the school district or to bonds issued for the repayment of tax protests lost by the district. All bonds issued in excess of the amount are void, except as provided in this section.

(3) When the total indebtedness of a school district has reached the limitations prescribed in this section, the school district may pay all reasonable and necessary expenses of the school district on a cash basis in accordance with the financial administration provisions of this chapter.

(4) Whenever bonds are issued for the purpose of refunding bonds, any money to the credit of the debt service fund for the payment of the bonds to be refunded is applied toward the payment of the bonds and the refunding bond issue is decreased accordingly."

SECTION 37. SECTION 20-9-439, MCA, IS AMENDED TO READ:

"**20-9-439. Computation of net levy requirement -- procedure when levy inadequate.** (1) The county superintendent shall compute the levy requirement for each

school district's debt service fund on the basis of the following procedure:

(a) **determine** Determine the total money available in the debt service fund for the reduction of the property tax on the district by totaling:

(i) the end-of-the-year fund balance in the debt service fund, less any limited operating reserve as provided in 20-9-438;

(ii) anticipated interest to be earned by the investment of debt service cash in accordance with the provisions of 20-9-213(4) or by the investment of bond proceeds under the provisions of 20-9-435; and

(iii) any other money, including money from federal sources, anticipated by the trustees to be available in the debt service fund during the ensuing school fiscal year from such sources as legally authorized money transfers into the debt service fund or from rental income, excluding any guaranteed tax base aid.~~;~~

(b) **the** Subtract the total amount available to reduce the property tax, determined in subsection (1)(a), **must--be subtracted** from the final budget **expenditure-amount** for the debt service fund as established in 20-9-438~~;~~.

(c) Determine the number of mills to be levied on the taxable property in the district to finance the net debt service fund levy requirement by dividing the remainder

determined in subsection (1)(b) by the sum of:

(i) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(ii) the taxable valuation of the district divided by 1,000.

(2) **the** The net debt service fund levy requirement determined in subsection ~~(1)~~(b) (1)(c) must be reported to the county commissioners on the second Monday of August by the county superintendent as the net debt service fund levy requirement for the district, and a levy must be made by the county commissioners in accordance with 20-9-142.

~~(2)~~(3) If the board of county commissioners fails in any school fiscal year to make a levy for any issue or series of bonds of a school district sufficient to raise the money necessary for payment of interest and principal becoming due during the next ensuing school fiscal year, in any amounts established under the provisions of this section, the holder of any bond of the issue or series or any taxpayer of the district may apply to the district court of the county in which the school district is located for a writ of mandate to compel the board of county commissioners of the county to make a sufficient levy for such purposes. If, upon the hearing of the application, it appears to the satisfaction of the court that the board of county

commissioners of the county has failed to make a levy or has made a levy that is insufficient to raise the amount required to be raised as established in the manner provided in this section, the court shall determine the amount of the deficiency and shall issue a writ of mandate directed to and requiring the board of county commissioners, at the next meeting for the purpose of fixing tax levies for county purposes, to fix and make a levy against all taxable property in the school district that is sufficient to raise the amount of the deficiency. The levy is in addition to any levy required to be made at that time for the ensuing school fiscal year. Any costs that may be allowed or awarded the petitioner in the proceeding must be paid by the members of the board of county commissioners and may not be a charge against the school district or the county."

SECTION 38. SECTION 20-9-507, MCA, IS AMENDED TO READ:

"**20-9-507. Miscellaneous programs fund.** (1) The trustees of a district receiving money from local, state, federal, or other sources provided in 20-5-307(4), 20-5-312(8), and 20-9-321~~(3)~~ other than money under the provisions of Title I of Public Law 81-874 or federal money designated for deposit in a specific fund of the district shall establish a miscellaneous programs fund for the deposit of the money. The money may be a reimbursement of miscellaneous program fund expenditures already realized by

the district or may be a grant of money for the financing of expenditures to be realized by the district for a special, approved program to be operated by the district. When the money is a reimbursement, the money may be expended at the discretion of the trustees for school purposes. When the money is a grant, the money must be expended according to the conditions of the program approval by the superintendent of public instruction or any other approval agent. Within the miscellaneous programs fund, the trustees shall cause a separate accounting to be maintained for each federal grant program and for the aggregate of all reimbursement money.

(2) The financial administration of the miscellaneous programs fund must be in accordance with the financial administration provisions of this title for a nonbudgeted fund."

NEW SECTION. **SECTION 39.** QUALIFICATIONS FOR STATE GUARANTEED TAX BASE AID TO SUPPORT DEBT SERVICE. (1) TO QUALIFY FOR THE GUARANTEED TAX BASE AID PER ANB FOR DEBT SERVICE DESCRIBED IN 20-9-368, A SCHOOL DISTRICT, BEFORE ISSUING ITS BONDS, MUST HAVE:

(A) RECEIVED VOTER APPROVAL FOR BONDS PURSUANT TO 20-9-421;

(B) FOLLOWING VOTER APPROVAL, RECEIVED A CERTIFICATE OF ELIGIBILITY FROM THE BOARD OF PUBLIC EDUCATION, ON OR AFTER [THE EFFECTIVE DATE OF THIS ~~ACT~~ SECTION], STATING THAT AFTER

CONSULTATION WITH THE SUPERINTENDENT OF PUBLIC INSTRUCTION, THE BOARD HAS DETERMINED WHAT PERCENTAGE OF THE TOTAL PRINCIPAL AMOUNT OF THE PROPOSED AMOUNT OF THE PROPOSED BONDS WILL BE USED TO:

(I) RESTORE, REBUILD, OR REPLACE A DESTROYED OR SEVERELY DAMAGED SCHOOL BUILDING;

(II) CORRECT ONE OR MORE BUILDING DEFICIENCIES THAT AFFECT THE HEALTH AND SAFETY OF SCHOOL CHILDREN;

(III) CORRECT ONE OR MORE DEFICIENCIES THAT PREVENT THE SCHOOL DISTRICT FROM MEETING CURRENT ACCREDITATION STANDARDS; OR

(IV) ADDRESS ANY COMBINATION OF CIRCUMSTANCES DESCRIBED IN SUBSECTIONS (1)(B)(I) THROUGH (1)(B)(III).

(2) THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL CERTIFY AND NOTIFY THE DISTRICT OF THE AMOUNT, IF ANY, OF GUARANTEED TAX BASE AID FOR WHICH THE DISTRICT QUALIFIES.

SECTION 40. SECTION 20-2-121, MCA, IS AMENDED TO READ:

"**20-2-121. Board of public education -- powers and duties.** The board of public education shall:

(1) effect an orderly and uniform system for teacher certification and specialist certification and for the issuance of an emergency authorization of employment by adopting the policies prescribed by 20-4-102 and 20-4-111;

(2) consider the suspension or revocation of teacher or specialist certificates and appeals from the denial of

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teacher or specialist certification in accordance with the provisions of 20-4-110;

(3) administer and order the distribution of ~~state equalization~~ BASE aid in accordance with the provisions of 20-9-344;

(4) adopt and enforce policies to provide uniform standards and regulations for the design, construction, and operation of school buses in accordance with the provisions of 20-10-111;

(5) approve or disapprove a reduction of the number of hours in a district's school day in accordance with the provisions of 20-1-302;

(6) adopt policies prescribing the conditions when school may be conducted on Saturday and the types of pupil-instruction-related days and approval procedure for such days in accordance with the provisions of 20-1-303 and 20-1-304;

(7) adopt standards of accreditation and establish the accreditation status of every school in accordance with the provisions of 20-7-101 and 20-7-102;

(8) approve or disapprove educational media selected by the superintendent of public instruction for the educational media library in accordance with the provisions of 20-7-201;

(9) adopt policies for the conduct of special education in accordance with the provisions of 20-7-402;

(10) adopt rules for issuance of documents certifying equivalency of completion of secondary education in accordance with 20-7-131;

(11) adopt policies for the conduct of programs for gifted and talented children in accordance with the provisions of 20-7-903 and 20-7-904;

(12) adopt rules for student assessment in the public schools; and

(13) perform any other duty prescribed from time to time by this title or any other act of the legislature."

SECTION 41. SECTION 20-7-117, MCA, IS AMENDED TO READ:

"**20-7-117. Five-year-old schooling and preschool programs.** (1) The trustees of an elementary district shall establish or make available a program capable of accommodating, at a minimum, all the children in the district who will be 5 years old on or before September 10 of the school year for which the program is to be conducted or who have been enrolled by special permission of the board of trustees. The program must be an integral part of the elementary school and must be financed and governed accordingly, provided that to be eligible for inclusion in the calculation of ANB pursuant to 20-9-311, a child must have reached the age of 5 on or before September 10 of the school year covered by the calculation or have been enrolled by special permission of the board of trustees.

(2) The trustees of an elementary school district may establish and operate a free preschool program for children between the ages of 3 and 5 years. When preschool programs are established, they must be an integral part of the elementary school and must be governed accordingly. Financing of preschool programs may not be supported by money available from ~~state equalization~~ BASE aid."

SECTION 42. SECTION 20-9-304, MCA, IS AMENDED TO READ:

"**20-9-304. Eligibility for and payment of state impact aid.** Any district which shall have children of employees of a public institution may be eligible for state impact aid under the following provisions:

(1) An "employee" means an employee of a public institution under the administration of the department of corrections and human services, as defined in 53-1-202, or the department of family services, as defined in 2-15-2401, who resides on the property of such a public institution.

(2) A school district shall receive annually from moneys available for ~~state equalization~~ BASE aid $150 for each elementary pupil and $250 for each high school pupil whose parents are employees of an institution located in the school district where the pupil attends school or in a school district which has a tuition agreement with the district where the pupil attends school.

(3) A district which is eligible for state impact aid

shall apply for such aid to the superintendent of public instruction in the manner prescribed by the rules prescribed by the superintendent of public instruction.

(4) The distribution of state impact aid shall be deposited in the general fund of the district and shall not be considered as a part of the ~~state-equalization~~ BASE aid but shall be used to reduce the property tax in support of the general fund of the district."

SECTION 43. SECTION 20-9-346, MCA, IS AMENDED TO READ:

"**20-9-346. Duties of the superintendent of public instruction for ~~state--equalization~~ BASE aid distribution.** The superintendent of public instruction shall administer the distribution of the ~~state-equalization~~ BASE aid by:

(1) establishing the annual entitlement of each district and county to ~~state-equalization~~ BASE aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction and by applying the verified data under the provisions of the ~~state-equalization~~ BASE aid allocation procedure prescribed in 20-9-347;

(2) distributing by state warrant or electronic transfer the ~~state-equalization~~ BASE aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the

respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

(3) keeping a record of the full and complete data concerning money available for ~~state-equalization~~ BASE aid, state advances for county equalization, and the entitlements for ~~state--equalization~~ BASE aid of the districts of the state;

(4) reporting to the board of public education the estimated amount that will be available for ~~state equalization~~ BASE aid; and

(5) reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of ~~state--equalization~~ BASE aid during the preceding 2 school fiscal years;

(b) the amount of ~~state--equalization~~ BASE aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for ~~state-equalization~~ BASE aid; and

(e) the amount of state advances and repayment for county equalization."

NEW SECTION. **SECTION 44.** IMPACT AID FUND. (1) THE

TRUSTEES OF A DISTRICT THAT RECEIVES FEDERAL FUNDS UNDER THE PROVISIONS OF TITLE I OF PUBLIC LAW 81-874 SHALL ESTABLISH AN IMPACT AID FUND. MONEY RECEIVED UNDER THE PROVISIONS OF PUBLIC LAW 81-874 MUST BE DEPOSITED WITH THE COUNTY TREASURER TO THE CREDIT OF THE IMPACT AID FUND.

(2) THE EXPENDITURE OF MONEY FROM THE IMPACT AID FUND MUST BE MADE PURSUANT TO TITLE I OF PUBLIC LAW 81-874. THE IMPACT AID FUND MUST BE ADMINISTERED PURSUANT TO THE FINANCIAL ADMINISTRATION PROVISIONS OF THIS TITLE FOR NONBUDGETED FUNDS.

(3) (A) MONEY IN THE IMPACT AID FUND MAY BE TRANSFERRED INTO THE GENERAL FUND TO OFFSET ANY LEVY AMOUNT IN SUPPORT OF THE BASE BUDGET THAT EXCEEDS:

(I) FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993, THE PRIOR SCHOOL FISCAL YEAR'S STATEWIDE AVERAGE PERMISSIVE LEVY FOR ALL ELEMENTARY SCHOOL DISTRICTS OR ALL HIGH SCHOOL DISTRICTS; OR

(II) FOR SUCCEEDING SCHOOL FISCAL YEARS, THE PRIOR YEAR'S STATEWIDE AVERAGE BASE BUDGET LEVY FOR ALL ELEMENTARY SCHOOL DISTRICTS OR ALL HIGH SCHOOL DISTRICTS.

(B) A DISTRICT USING PUBLIC LAW 81-874 FUNDS TO SUPPORT THE LOCAL LEVY IN THE BASE BUDGET SHALL LEVY THE PRIOR YEAR'S STATEWIDE AVERAGE PERMISSIVE LEVY AS PROVIDED IN SUBSECTION (3)(A) UNLESS THE NET BASE IS LESS THAN THE INCOME FROM THE AVERAGE MILLS IN THAT DISTRICT.

(C) BY MARCH 1 OF EACH SCHOOL FISCAL YEAR, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL CALCULATE THE PRIOR YEAR'S STATEWIDE AVERAGE PERMISSIVE LEVY AS PROVIDED IN SUBSECTION (3)(A).

~~NEW-SECTION.--**SECTION 36.**--SEPARATE---ACCOUNTING---FOR CERTAIN-ADMINISTRATIVE-EXPENSES----LIMITATION-ON-EXPENDITURE AMOUNT------VOTER--APPROVAL-FOR-EXCESS-EXPENDITURES-IN-PRIOR YEARS.--(1)-THE--TRUSTEES--OF--A--DISTRICT--SHALL--PROVIDE--A SEPARATE--ACCOUNTING--WITHIN-THE-DISTRICT-BUDGETED-FUNDS-FOR THE-PURPOSE-OF-RECORDING-CERTAIN-DISTRICT-EXPENSES--INCURRED FOR--GENERAL--ADMINISTRATION--(FUNCTION-CODE-23XX);-BUSINESS SUPPORT-SERVICES-(FUNCTION-CODE-25XX);-AND-SUPPORT--SERVICES CENTRAL--(FUNCTION-CODE-20XX);-AS-DEFINED-IN-THE-MOST-RECENT EDITION-OF-THE-MONTANA-SCHOOL-ACCOUNTING--MANUAL--ISSUED--BY THE--OFFICE--OF-PUBLIC-INSTRUCTION.-THE-EXPENSES-INCLUDE-BUT ARE-NOT-LIMITED-TO:~~

~~(A)--THE--SALARIES;--BONUSES;--EDUCATION--AND--TRAINING; OFFICE-EXPENSES;-TRAVEL;-AND-ORGANIZATIONAL--MEMBERSHIPS--OF THE-DISTRICT-SUPERINTENDENT;-THE-SUPERINTENDENT'S-STAFF;-THE DISTRICT--CLERK-OR-CHIEF-BUSINESS-OFFICIAL;-AND-ANY-BUSINESS OFFICE-STAFF;~~

~~(B)--ACTIVITIES--OF--THE--DISTRICT--BOARD--OF--TRUSTEES; INCLUDING-BUT-NOT--LIMITED--TO--TRAVEL--AND--MEMBERSHIPS--IN ORGANIZATIONS;~~

~~(C)--ACTIVITIES-RELATED-TO-DISTRICTWIDE-STAFF-RELATIONS;~~

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INCLUDING CONTRACT NEGOTIATIONS;

(B) STAFF AND ACTIVITIES RELATED TO PAYING FOR TRANSPORTING, EXCHANGING, AND MAINTAINING GOODS AND SERVICES FOR THE DISTRICT, INCLUDING FISCAL AND INTERNAL SERVICES NECESSARY FOR OPERATING THE DISTRICT, AND

(E) ACTIVITIES IN SUPPORT OF CENTRAL SERVICES FOR THE DISTRICT, INCLUDING PLANNING, RESEARCH, DEVELOPMENT, EVALUATION, INFORMATION, AND DATA PROCESSING.

(2) EXCEPT AS PROVIDED IN SUBSECTION (3), THE TRUSTEES OF A DISTRICT SHALL LIMIT THE EXPENDITURES FOR THE CURRENT SCHOOL FISCAL YEAR FOR THE ADMINISTRATIVE EXPENSES DEFINED IN SUBSECTION (1) TO 95% OF THE AVERAGE OF THE ACTUAL EXPENDITURES FOR THOSE BUDGET ITEMS IN THE 2 SCHOOL FISCAL YEARS PRECEDING THE PRIOR SCHOOL FISCAL YEAR, BEGINNING WITH AN AVERAGE FOR SCHOOL FISCAL YEARS 1991 AND 1992 FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993.

(3) IF THE TRUSTEES OF A DISTRICT DETERMINE THAT IT IS NECESSARY TO EXCEED THE LIMITATION PROVIDED FOR IN SUBSECTION (2) FOR THE CURRENT SCHOOL FISCAL YEAR, THE AMOUNT OF THE EXCESS EXPENDITURE MAY NOT BE USED TO CALCULATE THE LIMITATION PROVIDED FOR IN SUBSECTION (2) FOR THE ENSUING SCHOOL FISCAL YEAR, BUT AN AMOUNT EQUAL TO OR GREATER THAN THE EXCESS AMOUNT MAY BE EXPENDED IN THE ENSUING SCHOOL FISCAL YEAR.

(4) (A) IF AN AMOUNT EQUAL TO OR GREATER THAN THE EXCESS AMOUNT IS EXPENDED IN THE ENSUING SCHOOL FISCAL YEAR, THE TRUSTEES OF THE DISTRICT SHALL FOR THE FOLLOWING SCHOOL FISCAL YEAR:

(I) REDUCE THE ADMINISTRATIVE COSTS DEFINED IN SUBSECTION (1) BY THE SUM OF THE EXCESS AMOUNTS FOR THE 2 SCHOOL FISCAL YEARS IN WHICH THE EXCESS OCCURRED, OR

(II) IF AN AMOUNT IN EXCESS OF THE LIMITATIONS IN SUBSECTION (1) IS DESIRED, SUBMIT A SEPARATE PROPOSITION TO THE ELECTORS WITHIN THE ADDITIONAL LEVY BALLOT PROVIDED IN 20-9-353 TO APPROVE THE EXCESS AMOUNT OF FINANCING AS PROVIDED IN SUBSECTION (3) AND THIS SUBSECTION (4) FOR THE FOLLOWING SCHOOL FISCAL YEAR.

(B) THE SEPARATE BALLOT WITHIN THE ADDITIONAL LEVY BALLOT MUST STATE ONLY THE AMOUNT OF MONEY TO BE RAISED BY ADDITIONAL PROPERTY TAXATION FOR THE TOTAL EXCESS AMOUNT, THE APPROXIMATE NUMBER OF MILLS REQUIRED TO RAISE THE MONEY, AND THE PURPOSE FOR WHICH THE MONEY WILL BE EXPENDED. THE SEPARATE BALLOT WITHIN THE ADDITIONAL LEVY BALLOT MUST BE IN THE FOLLOWING FORMAT:

PROPOSITION

SHALL A PORTION OF THE ADDITIONAL LEVY BE MADE TO RAISE THE SUM OF (STATE THE AMOUNT TO BE RAISED BY ADDITIONAL TAX LEVY FOR THE ADMINISTRATIVE EXPENSES PROVIDED FOR IN SUBSECTION (1)), BEING APPROXIMATELY (GIVE NUMBER) MILLS, FOR THE PURPOSE OF (INSERT THE PURPOSE FOR WHICH THE ADDITIONAL TAX

~~LEVY-IS-MADE?~~

~~FOR-THE-LEVY.~~

~~AGAINST-THE-LEVY.~~

SECTION 45. SECTION 20-9-165, MCA, IS AMENDED TO READ:

"**20-9-165. Budget amendment limitation, preparation, and adoption procedures.** (1) The meeting of the trustees to consider and adopt a budget amendment must be open to the public, and any taxpayer in the district has the right to appear and be heard. If at the meeting a majority of the trustees present find that there is sufficient need for a budget amendment, the trustees may make and adopt a preliminary budget amendment, ~~on-the-regular-budget-form,~~ setting forth fully the facts constituting the need for the budget amendment. In adopting the preliminary budget amendment, the trustees may budget for any fund that was included on the final budget of the district for the current school fiscal year. The budget must be itemized to show the amount appropriated for each item ~~as-required-on-the--budget form~~.

(2) When the budget amendment is the result of increased enrollment, the maximum amount of the budget amendment for all funds must be determined in the following manner:

(a) Determine the total amount in the final budget for the current school fiscal year of all funds affected by the

enrollment increase, less any amounts appropriated as capital outlay and any amount appropriated for addition to the operating reserve.

(b) Divide the amount determined in subsection (2)(a) by the number of pupils originally enrolled in the district during the immediately preceding school fiscal year. The resulting cost per pupil is the maximum permissible per-pupil expenditure in the budget amendment.

(c) Determine the enrollment increase of the current school fiscal year by subtracting the number of pupils originally enrolled during the immediately preceding school fiscal year from the number of pupils enrolled for the current school year. The result is the enrollment increase for the current school fiscal year.

(d) Multiply the cost per pupil determined in subsection (2)(b) by the enrollment increase determined in subsection (2)(c). The result is the maximum limitation on a budget amendment for amendments resulting from increased enrollment.

(3) For other types of budget amendments, the budget amendment is limited to the expenditures considered by the trustees to be reasonable and necessary to finance the conditions of the budget amendment and the preliminary budget amendment must include the details of the proposed expenditures.

(4) Whenever the trustees adopt a preliminary budget amendment for the transportation fund, the trustees shall attach to the budget amendment a copy of each transportation contract that is connected with the budget amendment and that has been prepared and executed in accordance with the school transportation contract laws.

(5) After the trustees have adopted the budget amendment by a majority vote of the trustees, it must be signed by the chairman of the trustees and the clerk of the district and copies must be sent to the county superintendent, the county treasurer, and the superintendent of public instruction."

SECTION 46. SECTION 20-9-166, MCA, IS AMENDED TO READ:

"**20-9-166. State financial aid for budget amendments.** Whenever a final budget amendment has been adopted for the general fund or the transportation fund to finance the cost of an amendment resulting from increased enrollment ~~or--any other--reason--approved--by--the--superintendent--of--public instruction--under--the-provisions-of-20-9-163~~, the trustees may apply to the superintendent of public instruction for an increased payment from the state public school equalization aid account for the foundation program or for state transportation reimbursement, or both. The superintendent of public instruction shall adopt rules for the application. The superintendent of public instruction shall approve or

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disapprove each application for increased state aid made in accordance with 20-9-314 and this section. When the superintendent of public instruction approves an application, ~~he~~ the superintendent of public instruction shall determine the additional amount of state aid from the state public school equalization aid account or the state transportation reimbursement that will be made available to the applicant district because of the increase in enrollment. The superintendent of public instruction shall notify the applicant district of ~~his~~ the superintendent's approval or disapproval and, in the event of approval, the amount of additional state aid that will be made available for the general fund or the transportation fund. The superintendent of public instruction shall disburse the state aid to the eligible district at the time the next regular state aid payment is made."

SECTION 47. SECTION 20-9-168, MCA, IS AMENDED TO READ:

"**20-9-168. Emergency budget amendment tax levy.** When a budget amendment has been ~~approved-by-the-superintendent-of public-instruction~~ adopted by the board of trustees under 20-9-161(2) and a district does not have sufficient funds, including insurance proceeds and reserves, to finance the budget amendment, the district may levy a tax in the ensuing school year to fund the expenditures authorized by the budget amendment. The amount levied may not exceed the

unfunded amount of the budget amendment."

SECTION 48. SECTION 20-9-208, MCA, IS AMENDED TO READ:

"**20-9-208. Transfer among appropriation items of a fund.** (1) Whenever it appears to the trustees of a district that the appropriated amount of an item of a budgeted fund of the final budget or a budget amendment is in excess of the amount actually required during the school fiscal year for the appropriation item, the trustees may transfer any or all of the excess appropriation amount to any other appropriation item of the same budgeted fund.

(2) Transfers may not be made between different funds of the same district, between the final budget and a budget amendment, or between similar funds of different districts except as specifically provided by this title. The trustees shall enter the authorized transfers upon the permanent records of the district."

SECTION 49. SECTION 20-9-212, MCA, IS AMENDED TO READ:

"**20-9-212. Duties of county treasurer.** The county treasurer of each county shall:

(1) receive and hold all school money subject to apportionment and keep a separate accounting of its apportionment to the several districts ~~which~~ that are entitled to a portion of the money according to the apportionments ordered by the county superintendent or by the superintendent of public instruction. A separate

accounting must be maintained for each county fund supported by a countywide levy for a specific, authorized purpose, including:

(a) the basic county tax in support of the elementary foundation programs;

(b) the basic special tax for high schools in support of the high school foundation programs;

(c) the county tax in support of the transportation schedules;

(d) the county tax in support of the elementary and high school district retirement obligations; and

(e) any other county tax for schools, including the community colleges, which may be authorized by law and levied by the county commissioners.

(2) whenever requested, notify the county superintendent and the superintendent of public instruction of the amount of county school money on deposit in each of the funds enumerated in subsection (1) ~~of this section~~ and the amount of any other school money subject to apportionment and apportion the county and other school money to the districts in accordance with the apportionment ordered by the county superintendent or the superintendent of public instruction;

~~(3) keep a separate accounting of the expenditures for each budgeted fund included in the final budget of each~~

~~district;~~

~~(4)~~ keep a separate accounting of the receipts, expenditures, and cash balances for each budgeted fund ~~included-in-the-final-budget-of-each-district-and--for--each nonbudgeted-fund-established-by-each-district~~;

~~(5)~~(4) except as otherwise limited by law, pay all warrants properly drawn on the county or district school money and properly endorsed by their holders;

~~(6)~~(5) receive all revenue collected by and for each district and deposit these receipts in the fund designated by law or by the district if ~~no~~ a fund is not designated by law. Interest and penalties on delinquent school taxes ~~shall~~ must be credited to the same fund and district for which the original taxes were levied.

~~(7)~~(6) send all revenue received for a joint district, part of which is situated in ~~his~~ the county, to the county treasurer designated as the custodian of the revenue, no later than December 15 of each year and every 3 months thereafter until the end of the school fiscal year;

~~(8)~~(7) at the direction of the trustees of a district, assist the district in the issuance and sale of tax and revenue anticipation notes as provided in Title 7, chapter 6, part 11;

~~(9)~~(8) register district warrants drawn on a budgeted fund in accordance with 7-6-2604 when there is insufficient

money available in all funds of the district to make payment of the warrant. Redemption of registered warrants must be made in accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

~~(10)~~(9) invest the money of any district as directed by the trustees of the district within 3 working days of the direction;

~~(11)~~(10) each month give to the trustees of each district an itemized report for each fund maintained by the district, showing the paid warrants, outstanding warrants, registered warrants, amounts and types of revenue received, and the cash balance;

~~(12)~~(11) remit promptly to the state treasurer receipts for the county tax for a vocational-technical center when levied by the board of county commissioners under the provisions of 20-16-202;

~~(13)~~(12) invest the money received from the basic county tax in support of the elementary foundation programs, and the basic special tax in support of the high school foundation programs, the county levy in support of the elementary and high school district retirement obligations, and the county levy in support of the transportation schedules within 3 working days of receipt. The money must be invested until the working day before it is required to be distributed to school districts within the county or remitted to the state. Permissible investments are specified

in 20-9-213(4). All investment income must be deposited, and credited proportionately, in the funds established to account for the taxes received for the purposes specified in subsections (1)(a) ~~and-(1)(b)~~ through (1)(d).

~~(14)~~(13) remit on a monthly basis to the state treasurer, in accordance with the provisions of 15-1-504, all county equalization revenue received under the provisions of 20-9-331 and 20-9-333 ~~for-elementary-and-high school-district-foundation-program--support~~, including all interest earned and excluding any amount required for high school out-of-county tuition under the provisions of 20-9-334, in repayment of the state advance for county equalization prescribed in 20-9-347. Any funds in excess of a state advance must be used as required in 20-9-331(1)(b) and 20-9-333(1)(b)."

SECTION 50. SECTION 20-9-335, MCA, IS AMENDED TO READ:

"**20-9-335. Formula for apportionment of county equalization moneys** money. (1) The **county** superintendent of public instruction shall calculate the apportionment of revenue available in the basic county tax account and in the basic special tax for high schools account in accordance with the following procedure:

(a) determine the percentage that the county equalization **moneys** money available for the support of the elementary foundation program of the districts in the county

is of the total elementary foundation program of all districts in the county;

(b) multiply the elementary foundation program amount of each district by the percentage determined in subsection (1)(a) **above** to determine the portion of the county equalization **moneys** money available to each school district.

(2) The **above** procedure **shall** in subsection (1) must also be applied for the high school foundation program after the deduction of the county's obligation for high school out-of-county tuition.

(3) Territory situated within a county may not be excluded from the calculations of the county equalization **moneys** money under this section solely because the territory lies within the boundaries of a joint district. Cash balances to the credit of any district at the end of a school fiscal year may not be considered in the apportionment procedure prescribed in this section.

(4) The county equalization **moneys** money reported under these procedures **are** is the first source of revenue for financing the elementary and high school foundation program payments."

NEW SECTION. **SECTION 51.** APPROPRIATION. THERE IS APPROPRIATED FROM THE STATE EQUALIZATION AID ACCOUNT TO THE OFFICE OF PUBLIC INSTRUCTION $400,000 FOR THE BIENNIUM ENDING JUNE 30, 1995, FOR ANY NECESSARY COSTS INCURRED BY

THE OFFICE OF PUBLIC INSTRUCTION IN IMPLEMENTING [THIS ACT].

NEW SECTION. **SECTION 52.** AUDIT DURING 1994-95 BIENNIUM. ANY AUDIT OF THE OFFICE OF PUBLIC INSTRUCTION CONDUCTED PURSUANT TO TITLE 5, CHAPTER 13, DURING THE 1994-95 BIENNIUM MUST BE A CONTRACT AUDIT.

NEW SECTION. **Section 53. Repealer.** Sections 20-9-145, 20-9-147, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, AND 20-9-322, ~~and 20-9-348~~, MCA, and section 12, Chapter 6, Special Laws of July 1992, are repealed.

NEW SECTION. **Section 54. Name change -- short form amendment.** (1) Wherever it appears in 17-7-140, 20-2-115, 20-6-166, 20-9-116, 20-9-212, 20-9-331, 20-9-333, 20-9-335, 90-6-309, and 90-6-403 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to ~~school--funding~~ EQUALIZATION AID FOR SCHOOLS, to "BASE funding program".

(2) Wherever it appears in 20-7-414, 20-7-431, and 20-7-435 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to SPECIFICALLY TO STATE funding for special education, to "allowable cost PAYMENT".

NEW SECTION. **SECTION 55.** MORATORIUM ON CREATION OF NEW

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DISTRICT. FOLLOWING [THE EFFECTIVE DATE OF THIS SECTION], A SCHOOL DISTRICT MAY NOT INITIATE THE CREATION OF A NEW ELEMENTARY DISTRICT UNDER THE PROVISIONS OF 20-6-216 AND 20-6-217 OR INITIATE THE CREATION OF A NEW HIGH SCHOOL DISTRICT UNDER THE PROVISIONS OF 20-6-303 AND 20-6-325.

NEW SECTION. **Section 56. Codification instruction.** (1) [Sections 1 through 3 ~~AND--35--AND--36~~ AND 46 44] are intended to be codified as an integral part of Title 20, chapter 9, part 3, and the provisions of Title 20 apply to [sections 1 through 3 ~~AND-35-AND-36~~ AND 46 44].

(2) [SECTION ~~41~~ 39] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 20, CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO [SECTION ~~41~~ 39].

SECTION 57. SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, IS AMENDED TO READ:

"Section 6. **Effective date ---termination.** [This act] is effective on passage and approval~~--and--[sections--3 through-5]-terminate-June-30--1993~~."

NEW SECTION. **Section 58. Effective date.** ~~[This act]~~ DATES -- RETROACTIVE APPLICABILITY. (1) EXCEPT AS PROVIDED IN SUBSECTIONS (2) ~~THROUGH-(4)~~ ~~AND-(3)~~ THROUGH (4), [THIS ACT] is effective July 1, 1993.

(2) [SECTION 11] IS EFFECTIVE JULY 1, 1993, AND THE PROVISIONS OF [SECTION 11(3)] RELATING TO EXCESS RESERVES AND PUBLIC LAW 81-874 MONEY APPLY RETROACTIVELY, WITHIN THE

MEANING OF 1-2-109, TO DISTRICT GENERAL FUND RESERVES FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1992.

~~(3)--[SECTION 12] IS EFFECTIVE JULY 1, 1994, AND APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO DISTRICT GENERAL FUND RESERVES FOR THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993.~~

~~(4)~~(3) ~~THE AMENDMENT STRIKING FORMER [SECTION 22(2)~~, RELATING ~~TO SPECIAL EDUCATION AND ELIGIBILITY~~, [SECTION 23] IS EFFECTIVE JULY 1, 1994, AND APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO THE SCHOOL FISCAL YEAR BEGINNING JULY 1, 1993.

(4) [SECTIONS 31, 33, 39, AND 41], RELATING TO GUARANTEED TAX BASE AID FOR THE DEBT SERVICE OF A DISTRICT, ARE EFFECTIVE ON PASSAGE AND APPROVAL AND APPLY TO BONDS ISSUED AFTER ~~JULY 1, 1993~~ [THE EFFECTIVE DATE OF SECTIONS 31, 33, 39, AND 41].

NEW SECTION. **SECTION 59.** COORDINATION INSTRUCTION. (1) IF HOUSE BILL NO. 667 AND SENATE BILL NO. 348 ARE PASSED AND APPROVED AND IF THEY INCLUDE A SECTION THAT AMENDS 20-9-303, THEN [SECTION 4 OF SENATE BILL NO. 348] IS VOID.

(2) IF HOUSE BILL NO. 667 AND SENATE BILL NO. 348 ARE PASSED AND APPROVED AND IF THEY INCLUDE A SECTION THAT AMENDS 20-9-311, THEN [SECTION 5 OF SENATE BILL NO. 348] IS VOID.

(3) IF HOUSE BILL NO. 667 AND SENATE BILL NO. 348 ARE

PASSED AND APPROVED AND IF THEY INCLUDE A SECTION THAT AMENDS 20-9-321, THEN [SECTION 7 OF SENATE BILL NO. 348] IS VOID.

(4) IF HOUSE BILL NO. 667 AND HOUSE BILL NO. 469 ARE PASSED AND APPROVED, THEN [SECTIONS 6 AND 7 OF THIS ACT] ARE VOID.

NEW SECTION. **SECTION 60.** TERMINATION. [SECTION 36 22] TERMINATES JUNE 30, ~~1995~~ 1993.

NEW SECTION. **SECTION 61.** CONTINGENT VOIDNESS. IF [THIS ACT] IS PASSED AND APPROVED AND SENATE BILL NO. 436 IS NOT PASSED AND APPROVED, THEN [THIS ACT] IS VOID.

NEW SECTION. **SECTION 62.** INTERIM STUDY OF TAXES AND VALUATION. (1) THE LEGISLATIVE COUNCIL IS REQUESTED TO ASSIGN THE REVENUE OVERSIGHT COMMITTEE, THE LEGISLATIVE FINANCE COMMITTEE, OR AN APPROPRIATE INTERIM COMMITTEE TO CONDUCT AN INTERIM STUDY OF CERTAIN TAXES AND PROPERTY VALUATION FOR THE PURPOSE OF ENHANCING EQUALIZED SCHOOL FUNDING AND OF EQUALIZING TAX BURDENS AMONG THE STATE'S SCHOOL DISTRICTS. THE STUDY SHOULD INCLUDE BUT IS NOT LIMITED TO:

(A) EXPLORING THE BEST MEANS OF INCLUDING REVENUE FROM LOCAL GOVERNMENT SEVERANCE TAXES, NEW AND INTERIM PRODUCTION OF OIL AND NATURAL GAS, THE "FLAT TAX" ON COAL, CORPORATION LICENSE TAXES COLLECTED FROM FINANCIAL INSTITUTIONS, AND MOTOR VEHICLE FEES IN THE FORMULA FOR EQUALIZING FUNDING PER

ANB AND FOR EQUALIZING TAX BURDEN AMONG THE STATE'S SCHOOL DISTRICTS; AND

(B) IDENTIFYING MEASURES THAT WOULD ALLOW THE VALUE OF ALL CENTRALLY ASSESSED PROPERTY TO BE INCLUDED IN THE FORMULA FOR EQUALIZING FUNDING PER ANB AND FOR EQUALIZING TAX BURDEN AMONG THE STATE'S SCHOOL DISTRICTS.

(2) IN CONDUCTING THE STUDY, THE COMMITTEE MAY REQUEST ASSISTANCE FROM THE:

(A) SUPERINTENDENT OF PUBLIC INSTRUCTION;

(B) BOARD OF PUBLIC EDUCATION;

(C) DEPARTMENT OF REVENUE;

(D) REPRESENTATIVES OF LOCAL GOVERNMENT ENTITIES, INCLUDING THE MONTANA ASSOCIATION OF COUNTIES AND THE MONTANA LEAGUE OF CITIES AND TOWNS;

(E) REPRESENTATIVES OF SCHOOLS AND TEACHERS, INCLUDING THE MONTANA SCHOOL BOARDS' ASSOCIATION, THE SCHOOL ADMINISTRATORS OF MONTANA, AND THE MONTANA EDUCATION ASSOCIATION; AND

(F) STAFF OF THE LEGISLATIVE COUNCIL, LEGISLATIVE FISCAL ANALYST, AND THE LEGISLATIVE AUDITOR.

(3) IF THE LEGISLATIVE COUNCIL DOES NOT ASSIGN AN APPROPRIATE INTERIM COMMITTEE TO CONDUCT THE STUDY REQUESTED IN THIS SECTION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION IS REQUESTED TO CONDUCT THE STUDY AND MAY REQUEST ASSISTANCE FROM ANY OF THE ENTITIES REFERRED TO IN SUBSECTION (2) OR

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FROM ANY OTHER ENTITY HAVING RELEVANT KNOWLEDGE, INSIGHT, OR INFORMATION.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15
In compliance with a written request, there is hereby submitted a Fiscal Note for HB0667, Reference Copy.

DESCRIPTION OF PROPOSED LEGISLATION:

"An act equalizing the student and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; calculating a maximum general fund budget for each school district based on a basic entitlement and a total per-ANB entitlement; allowing a district up to 3 years to budget 80% of the maximum general fund budget amount for the district, designated as the base amount for school equity (BASE) budget for districts; providing that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through direct state aid and that 40 percent of the basic entitlement and 40 percent of the total per-ANB entitlement for a district be funded through local revenue sources and guaranteed tax base(GTB) aid if the district is eligible; requiring voter approval to exceed certain general fund budget growth increments up to the base budget amount for a district in the 3 school fiscal years following implementation; providing that the remaining 20 percent of the maximum general fund budget of a district be funded with local revenue; requiring voter approval for district general fund budget growth that exceeds 104 percent of the previous year's total general fund budget or 104 percent of the previous year's general fund budget per ANB multiplied by the current year's ANB; revising the method of calculating GTB aid to eligible districts by comparing a district's taxable valuation divided by 40 percent of the maximum general fund budget amount to the statewide taxable valuation divided by 40 percent of the statewide maximum general fund budget amount; providing general fund GTB aid to eligible districts at 191 percent of the statewide ratio; requiring districts above the allowable maximum general fund budget to freeze general fund budget growth until the maximum general fund budget level is achieved; requiring voter approval of a district general fund budget above the maximum general fund budget, with an exemption from the voter approval requirement for the first 2 years of implementation; creating a federal impact aid fund; equalizing funding for school district facility needs by providing GTB aid for the debt service fund of a school district if the district mill levy per ANB is less than the corresponding statewide mill value per ANB; allowing a district that qualifies for GTB aid to incur indebtedness up to 45 percent of the statewide taxable value per pupil multiplied by the district's ANB; providing that the fund balance in the equalization aid account be transferred to the general fund at the end of each fiscal year; removing the termination date in section 6, chapter 14, special laws of January 1992, to allow income from the sale of timber from state school lands to continue to be deposited in the school equalization account; revising the distribution schedule for base aid; basing the district ANB count on the enrollment count from October of the previous year; providing matching funds from the state equalization aid account for the Systemic Initiative for Montana Mathematics and Science grant; requesting that an appropriate interim committee be assigned to conduct an interim study of certain taxes and property valuation for the purpose of enhancing equalized school funding and of equalizing tax burdens among the state's school districts; appropriating funds to the Office of Public Instruction to implement the act; providing a moratorium on allowing a school district to create a new school district out of the territory of an existing district; amending and repealing various sections; and providing effective dates, a termination date, and retroactive applicability dates.

Dave Lewis 4-20-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Russell C. Fagg
RUSSELL FAGG, PRIMARY SPONSOR DATE
Fiscal Note HB0667, Reference Copy

HB 667-#3

ASSUMPTIONS:

1. Average number belonging counted for funding purposes in the public schools will increase from 151,137 in Fiscal 1993 to 156,805 in fiscal 1994 and 160,840 in fiscal 1995. This includes an additional 1744 and 2558 in FY94 and FY95 respectively as a result of changing the method for calculating ANB. Full-time special education enrollments are at 2,338 in fiscal 1993 and will decline to 2,000 in fiscal 1995.
2. Fund balance available for reappropriation for the fiscal 1993 general fund budgets was $62.5 million due to a reduction in district operating reserves to 10%. Fund balance available for reappropriation for district general fund budgets will be approximately $38 million in each year of the 1995 biennium.
3. The revenue to fund the "GTB Budget Amount" will come from fund balance reappropriated, non-levy revenue, district property tax levies, and state equalization aid. The reduction in fund balance available for reappropriation from fiscal 1993 to fiscal 1994 will require that an additional $24.5 million be raised by a levy of which the state will contribute approximately $14 million.
4. Districts that are budgeting below the BASE budget level in fiscal 1993 will move to the BASE budget level in increments over a minimum three year period. Districts which can approach the BASE budget level faster through a vote will do so if the district will not increase their levy beyond their FY93 levy or if in FY93 the district voted to exceed the permissive level.
5. Maximum district general fund budgets including PL874 aid will grow from $612 million in FY93 to $634 million and $659 million in FY94 and FY95 respectively, allowing 3.5 and 3.9 percent increases.
6. Direct state support will total $270.5 million in fiscal 1994 and $277.6 million in fiscal 1995. Guaranteed tax base aid will total $113.4 million in fiscal 1994 and $125.9 million in fiscal 1995.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Expenditures:						
Direct State Aid	362,375,200	270,494,000	(91,881,200)	369,994,800	277,563,000	(92,431,800)
General Fund GTB	32,527,700	113,387,000	81,029,300	33,160,400	125,913,000	92,752,600
Debt Service GTB	0	674,000	674,000	0	1,375,000	1,375,000
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Transportation	3,908,166	3,908,166	0	3,914,457	3,914,457	0
OPI Implementation	0	400,000	400,000	0	0	0
Other	75,000	75,000	0	100,000	100,000	0
Total	416,069,816	406,121,916	(9,947,900)	425,013,257	426,709,057	1,695,800
Revenues:						
School Equalization Account	391,637,000	394,553,000	2,916,000	400,698,000	404,864,000	4,166,000
School Permanent Trust	15,319,000	12,403,000	(2,916,000)	15,319,000	11,153,000	(4,166,000)
Total	406,956,000	406,956,000	0	416,017,000	416,017,000	0

7. The statewide mill value per ANB under existing statute is $17.98 per elementary ANB and 45.80 per high school ANB in fiscal 1994. The statewide taxable valuation for tax year 1993 (used for fiscal 1994 budgets) will be $1,612,902,500.
8. Each District will increase its budget 4 percent per year (or 4 percent on a per-ANB basis) unless the district is above the maximum general fund budget where it is frozen or below 80 percent of the maximum general fund budget where it must increase its budget faster.
9. Non levy revenue estimates used for GTB calculations will be equal to $38 million, the FY92 actual collections, in FY94 and FY95.
10. Inclusion of 2000 full time special education ANB in FY95 adds $3.9 million.

Net Impact: Expenditures from the state equalization account will decrease by $8.3 million in the 1995 biennium below current law estimates as a result of this bill. SEA revenues will increase $7.1 million.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Shifts in district property tax levies will occur as a result of this bill. Overall, district levies may increase because of the reduced state funding provided in the bill below the amount that would have been provided under current law. Some districts will be required to increase their general fund expenditures as a result of this legislation to bring them up to the BASE budget. Other districts will be required to reduce their general fund expenditures to bring their budgets down to the maximum general fund budget.

HB 667-#3

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 20, 1993, at 1:00 o'clock p.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Andrea Merrill, Legislative Council Staff, presented Exhibit No. 1 to these minutes which are House Bill 667 Amendments by the Senate Select Committee and Amendments made on the Senate Floor.

Chairman Towe opened the meeting by asking the House members on this Committee which of the Senate amendments they might have objection to. The suggestion was made to start down the list (Exhibit No. 1) and discuss each item. The item number and a brief explanation is set out prior to discussion.

DISCUSSION ON ITEM 1, EXHIBIT NO. 1: Required 3 years (not 5) to reach BASE budget level.

Rep. Boharski said he has a problem with number 1 on the list, requiring three years, rather than five, to reach the BASE budget level. Under the Senate plan, schools would equalize in three years; under the House plan, they would equalize in five years. He knows some money will be taken out of this bill, and knows the Guaranteed Tax Base (GTB) level is going to go down. He said there are a lot of schools still below 80%, and it bothers him to go any faster than necessary in forcing districts to spend more money than they are spending on education. A district that might be at 65% may be content to be there, but that doesn't work in equalization. Why should the state force them up that much? The only argument is to get out of the

State's equalization lawsuit problems. Testimony heard in the House Select Committee said that five years was an adequate time in which to bring these schools up, and it would keep the State out of any legal problems. The down side is that it costs approximately $2.2 million in State money to go from five years to three years, and it forces local property taxes to raise faster. Rep. Boharski said these are some compelling reasons for him to not want to go to three years.

Senator Stang asked if the House is comfortable with the caps. Rep. Boharski said they are.

Chairman Towe asked if the House is comfortable with 1(a), (b), and (c). Ms. McClure said (c) would change to 20% if equalization is to take place over five years; it would stay at 33 1/3% if it is to take place over three years.

Rep. Boharski said he needs to clarify the 104% mentioned in 1(a) and (b). He thinks the State shouldn't force the schools to grow more than 1/5 in five years in mandatory levies. The way HB 667 is drafted, it looks like it is mandatory, not permissive, that a school grow the greater of the following three choices: (a) 104% of previous year General Fund (GF) budget; (b) 104% of previous year GF budget per-ANB (Average Number Belonging) x current year's ANB; or (c) (i) 33 1/3% of difference between GF budget for School Fiscal Year (SFY) June 30, 1993 and BASE budget for July 1, 1993; (ii) 50% of difference between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or (iii) remainder of difference between GF budget for SFY ending June 30, 1995 and BASE beginning July 1, 1995. Rep. Boharski said it was always his understanding that it was mandatory to equalize in five years, so in five years everybody will be at a certain level. The way HB 667 is drafted, it is not mandatory to go 20%, 40%, 60%, 80%, 100%. It is mandatory that if 104% is greater than 20%, a district has to go to that level. That is not a local option. He doesn't see any reason to force inflationary increases on schools.

Chairman Towe asked Rep. Boharski if he is saying a school shouldn't be mandated to go the higher of 104% or 20%, whichever is greater. Ms. Merrill said this wasn't really the intent when the amendments were added and could be corrected.

Chairman Towe said he does not hear any strong argument to keep it at three years, and it wouldn't cost the State or the schools as much if this is changed to five years. Rep. Boharski said language needs to be inserted that calls for a mandatory 20% each year for five years but makes it permissive to grow up to 104%. Ms. Merrill said the percentages would actually be 20%, 25%, 1/3 and 50%, and then the remaining balance. Rep. Boharski will request an amendment be drafted for Committee consideration and approval.

DISCUSSION ON ITEM 2, EXHIBIT NO. 1: Required voter approval to

exceed the limitations below the 80% level, as just discussed.

Rep. Boharski said the House members have no objection to this item, which is essentially Senator Brown's amendment.

Chairman Towe said "limitations" is plural and that would mean that if Rep. Boharski's last amendment is passed, so long as a school is within one of those percentages, they don't have to have a vote, but if they want to exceed all of them, they would have to have a vote. Rep. Boharski said that is correct.

DISCUSSION ON ITEM 3, EXHIBIT NO. 1: Removed "optional" vote between BASE budget level and 90% level.

Chairman Towe said his recollection is that there is a required vote at any time the 104% GF budget is exceeded in the 80% to 100% area. Rep. Boharski said there is some discussion about not allowing a vote or budget growth beyond the 104%. Chairman Towe asked for an explanation of the $2.5 million fiscal note. Is that because some of the districts are expected to exercise their vote and go higher than 104%, which will cost the State some money in GTB aid? Curt Nichols, a member of the Governor's Budget Office, said there is no affect on the State because there is no aid in the 80% to 100% area with item number 3. Chairman Towe said if those districts under 80% are prohibited from going higher than their maximum, the State could save some money because that would affect the GTB. Rep. Boharski said this is correct.

DISCUSSION ON ITEM 4, EXHIBIT NO. 1: Froze district budget growth above maximum 100% level.

Chairman Towe said this item means that if school districts are about 100%, they don't have to ratchet down, but they are frozen at that level and they cannot even go for an inflation increase until the maximum catches up with them.

DISCUSSION ON ITEM 5, EXHIBIT NO. 1: Voter approval for districts above maximum not required for first 2 years.

Chairman Towe explained item 5 means that if a district has a budget above the 100% level, they do not need voter permission to keep it frozen.

DISCUSSION ON ITEM 6, EXHIBIT NO. 1: Added "weighted" GTB aid for GF budgets of eligible districts.

Rep. Boharski said he is concerned with what was exchanged for weighted GTB in the Senate. There is a feeling that weighted GTB hurts the big schools, and he doesn't buy that argument. Taking items number 6 and 7 together will have a significant fiscal impact. He asked for a rough estimate on the fiscal impact of number 7, moving the Stop/Loss or point at which the per-ANB amount stops decreasing. The response was $7 million,

rounded off. Rep. Boharski said there are some statistically valid reasons to go to $800 for the high school ANB. The drop from $2500 to $1000 for elementary schools is a substantial drop. Rep. Peck said this will be a debatable item and he is sure there is some disagreement on this item in the House. Chairman Towe deferred further discussion on this item until a later meeting.

Rep. Boharski presented Exhibit No. 2 to these minutes. Jim Gillett, Legislative Audit Committee, explained that this Exhibit uses enrollments to compare the differences between a $1500 and $1000 Stop/Loss in elementary schools, and the affects that might have on the GTB level that is guaranteed. Rep. Boharski explained the 4th sheet of Exhibit No. 2 is as HB 667 currently exists with the weighted GTB. The third sheet is with the weighted GTB taken off. Mr. Gillett said HB 667 now has a 191% guaranteed mill value.

Mr. Gillett presented Exhibit No. 3 to these minutes, which is an analysis of each school district, showing how the 191% State guarantee level, currently in HB 667, will affect each school. Chairman Towe asked what the difference would be if the weighted GTB were taken out of it. Mr. Gillett estimated the guaranteed percentage would go down to 1.89. Chairman Towe asked for an analysis showing non-weighted GTB, so a comparison can be made. Senator Stang suggested not asking the staff to draft this analysis until a decision is made on whether to pull out weighted GTB.

DISCUSSION ON ITEM 7, EXHIBIT NO. 1: Changed Stop/Loss on per-ANB entitlements.

Rep. Boharski asked if there is enough interest in this Committee to have a comparison done between the $1500 and $1000 Stop/Loss. Senator Stang said the stop-loss amendments were his, and they weren't as much a trade for the weighted GTB as it seems. He used information presented by Rep. Kadas at the original hearing regarding the difference in the Stop/Loss and regression line. At that time there was a pronounced reason to drop down the high schools more than the elementary schools. The weighted GTB had already been agreed upon by the Subcommittee although there were some other areas they thought needed to be fixed. The high schools at $800 brought them closer to the mid-line on the regression analysis, and the same thing with the elementary, at the $1000 level.

Chairman Towe said that the $800 and $1000 are independently justifiable and they do ameliorate somewhat the concerns a lot of people had about using this regression analysis as opposed to the existing schedules. Senator Stang cautioned that if one is interested in pure equalization, moving the Stop/Losses starts to put us back where we are now. The more these are adjusted from where they were in the original proposal, the further away from equalization we get. The base entitlement amount is where the regression model crosses. Chairman Towe said he is comfortable

with the $800 and $1000, and asked if any other Committee member wants to change the Stop/Loss points. Rep. Boharski said he admits the $800 figure has some justifiable reasons; he doesn't think the $1000 is justified and $1500 is a safe figure looking at the difference between the minimum-line and the maximum-line of the regression analysis. Rep. Boharski would like the Committee to reconsider these figures.

Rep. Boharski asked if there is a feeling that weighted GTB ought to stay in the bill. Rep. Peck and Chairman Towe think it should come out; Senators Stang and Brown think it should stay in.

Senator Stang asked if there are any members of the audience who think this Committee needs any more information pertinent to the weighted GTB and the way it affects the GF budget. This Committee is looking for suggestions as to what to look at in weighted GTB.

Tom Bilodeau, Montana Education Association (MEA), said he thinks it is critical to have information on the allowable budget growth available to districts and their percentage of the maximum budget level, because now if the Stop/Losses are pushed up, the larger districts will be pushed closer to the 100% level.

DISCUSSION ON ITEM 8, EXHIBIT NO. 1: Senate amendments resulted in state guaranteed tax base level of 191%.

Chairman Towe said his first response to this item is that it is obvious that this is going to be reduced, and for comparison problems, the 191% is a number to start with. However, this Committee may want to look at another number. Senator Stang said he would like to see it at the proposed Senate level versus the proposed House level, with some of the other changes made. He thinks this will clearly show the affect on property taxes that not putting money into this bill will produce. He would like to see comparisons with the Senate amendments and the amount of money the House put in. The Senate level is 191%; the House level would be considerably less. At the present time, the current Legislative Fiscal Analyst's (LFA) number is $7.053 million in net cuts needed to balance the State budget. Senator Stang asked what total net cuts of $40 million would mean. Mr. Gillett asked that Curt Nichols be available to help him with computing these numbers, since he has been doing all the fiscal note information.

DISCUSSION ON ITEM 11, EXHIBIT NO. 1: Based ANB Count on an average enrollment count.

Rep. Boharski asked to discuss item 11 next, and said he thinks budget figures should be provided for this item. When the State switches to enrollment, this basically says a district would receive more money than it cost the school to educate their students. This forces another property tax increase on the local

taxpayers. Looking at the budget authority as the bill left the House, the Stop/Losses on the high school gave them more budget authority, and switching to enrollment gives them even more budget authority. Every time the State increases budget authority, it has to be paid for--by increased property taxes and decreased GTB. This seems to Rep. Boharski to be a bad time to switch to enrollment.

Chairman Towe asked what the cost difference is between the ANB count and the enrollment count. Ms. McClure said this is 7,100 students. Greg Groepper, OPI, responded that when HB 667 was in the Select Committee in the House, that Committee asked OPI if there were ways to make it easier to implement on July 1. In order to start July 1 under current law, OPI looks at the fall of the current school year and the spring of the year before for a count of students. However, school districts are allowed to anticipate enrollment increases and ask for budget amendments. If the school funding system is completely changed, then schools will say they want to get counted most accurately under the new school funding system and they will come in for a bunch of budget amendments. What OPI is trying to avoid was the work of processing a bunch of amendments because the bill, as currently constructed, has nothing to prevent school districts from asking for a budget amendment enrollment increase that the State would have to pay for anyway. In OPI's judgment, what Rep. Boharski is talking about in going back to the old system, all schools who have increasing enrollments will ask for budget amendments and all but 6% will have to be paid for under current law. In going to the most recent enrollment, a lot of paperwork will be avoided.

Chairman Towe asked what the 6% is. Mr. Groepper explained that right now a school can't ask for a budget increase because of increased enrollments unless that enrollment has increased by at least 6%. For instance, a little school district that has 100 kids can ask for a budget amendment if they get over 6 new kids. Of the 7,000 enrollment increase being projected by OPI, the State wouldn't pay for 6% of it if the Committee does what Rep. Boharski is talking about; the State would pay for all of it if they go to the more current enrollment, plus it would save the school districts the confusion of trying to figure out if they should do a budget amendment or not. Mr. Groepper said seems like there is enough confusion in changing the process that the Committee might as well go to the current enrollment. The lag-enrollment figure has only been around since HB 28.

Mr. Groepper explained what OPI will use to implement this bill, the way HB 667 is currently written. They will look at the enrollment count that school districts took last October, and that will be what this Committee will refer to as their ANB. For instance, if a school had an enrollment count on October 1st of 2,000, that is what OPI will use to derive their budget figure as opposed to looking at ANB taken over six months of this year and six months of the prior year.

Senator Stang asked Mr. Groepper to further clarify some information. The fiscal note for moving the enrollment up is approximately $5 million per year. The Senator asked if the amendment is not adopted, would the State only save 6% of the $5 million, or is the $5 million the 6% figure. Mr. Groepper said he is not sure where the $5 million figure came from. There is a presumption that if the older enrollment is used, no one would come in for a budget amendment and OPI would not have to pay any increased enrollment, but that is a false assumption. He said there is nothing in HB 667 that changes how the State has to pay for school districts who come in for increased enrollment. The only impact OPI can figure is 6% of the increased enrollment would not have to be paid if what Rep. Boharski is talking about is done.

Senator Stang asked Curt Nichols this same question. Mr. Nichols said they didn't assume that there would be any budget amendments or any net affect of budget amendments. The 6% threshold is a large growth and locks out almost all the schools. He said we are talking about less than 2,000 students in the difference between either one of these accounting methods, and 6% is roughly 9,000 students. There can still be budget amendments using the new enrollment technique. Rep. Peck asked if what he is saying is that the 7,200 figure in increased students may distribute itself amongst the schools so that many schools would not make that trigger level of 6%. Mr. Nichols said this is correct. Rep. Boharski said many schools in his area are having rapid growth, and he thinks that problem was mitigated when going to the 104% per ANB. That cap really helps those schools out.

Chairman Towe asked if Mr. Nichols did not take into consideration any budget amendments. Mr. Nichols said this is correct; they did not consider any budget amendments. Chairman Towe said that to the extent there will be budget amendments, that would be a reduction down from the $5 million. Mr. Nichols said the net affect of budget amendments needs to be reviewed. To the extent there will be budget amendments, that would not exist under the new program, because budget amendments could still be added in 1995 under the new program.

Mr. Groepper said OPI had about 120 budget amendments this year and their financial people say approximately 85% of those are enrollment increases when OPI has to pay some money because it is over 6%. It doesn't take many new students to reach 6% in smaller school districts. Mr. Groepper will provide information on the total dollars paid out in the 85%, and the total ANB involved.

Chairman Towe suggested that for the print-out information requested by this Committee, the various departments should use the current Senate version of HB 667.

DISCUSSION ON ITEM 9, EXHIBIT NO. 1: Created parallel system for funding special education.

Rep. Boharski asked for an explanation of item 9. Dori Nielsen, OPI, explained the language in item 9 should read that GTB is only for the 25%. Translated, that will go back to a calculation that would be about 40% of the dollars that a district gets from the State would also be available for GTB aid. If done at a same level, the 65% represents about the amount that is distributed to districts in allowable costs; the 25% represents about the amount that they spend right now out of their local funds for special education purposes, which is in the range of $12 million.

Chairman Towe asked what the 10% left over is. Ms. Nielsen said that is for those districts that are in a position where they are going to have to go higher than that for special ed because they are not in a reimbursement mode that particular year. This is not something that schools have to access every year. By the second year of the biennium, the 25% of GTB stays for costs; the 10% is the special education range that they would have available on their own local tax base, after the GTB, if they have to go that much. The 40% comes in as follows: 65% of 40% is equal to 25% of 100%.

Rep. Boharski asked if that is how the Budget Office understands HB 667 to be drafted. Mr. Nichols said as the bill is drafted, $75,000 is allowable costs, 40% more is added on for GTB, which would be $30,000. Then 10% more is added on to the budget maximum per caps, which would be about $115,000 with the budget cap.

Rep. Boharski said there is confusion on HB 667 and what has just been discussed. The Interim Committee said a district would get $75,000 in State aid, they have to raise $25,000 on the local level in order to get it, which is mandatory. Then they have budget authority for another $10,000 unsubsidized. Ms. Nielsen explained that additional 10% is subsidized currently. If you take away access to that additional 10% that is subsidized currently, you are reducing what they have access to currently. They do not have access to 25%; they have access to 35% currently. Rep. Boharski said his understanding was that the last 10% was pure local effort, permissive, but not subsidized. He asked if this is Mr. Nichols' interpretation. Mr. Nichols said the way the bill reads, 40% of the allowable cost is GTB subsidized. In the case of $75,000, that is another $30,000 that is subsidized. In total, there is 53% that's added on to that allowable cost to get the maximum, which adds another $10,000.

Chairman Towe asked what happens if a particular district wants to spend more than the 65% which is allowable, the 25% which is a GTB match, and the 10% which is local effort over and above those. Are they maxed at that point? Ms. Nielsen said if they need to, or want to, spend more, they will have to do it within the other limitations, using other funds. Depending on the reason for it, they might be dealing in a budget amendment issue.

DISCUSSION ON ITEM 10, EXHIBIT NO. 1: Amended Senate version of SB 32 (GTB aid for debt service fund).

Rep. Hanson said this Committee needs to decide whether SB 32 is included in HB 667 or not. SB 32 is still in Conference Committee. Ms. McClure said SB 32 is in HB 667, and it exists on its own, as well, in different versions. Rep. Hanson said the basic difference in the Senate version of SB 32 and the House version of SB 32 is that the Senate believes that the State should subsidize those that create debt through bonding. The House version says "no", they want a true equalization bill that should be an entitlement, and the monies a district receives on an annual basis would go into a building fund that can accumulate if there is no debt created. SB 32 also has three methods in which to enter into a debt service or an entitlement condition. One is through the construction of a new building for emergency conditions. Second, construction for health and safety reasons, such as asbestos problems. This includes the ADA program the Federal government recently passed. The third way addresses accreditation problems. The House felt it should be an entitlement basis rather than debt service for expansion of school facilities. Entitlement means cash on the barrel head every year. Whether a district is building a building or not, they can accumulate it and use it for capital investment. This would be the same arrangement as a GTB-type subsidy. Rep. Boharski added that whether or not a district levies the mills, they can have this money. Everybody receives it; however, the drawback is that it is only funded at 10%. Rep. Hanson continued by explaining the small schools need this money for such expenses as to replace their oil tank or asbestos removal. The question is should the State subsidize debt service for a school district, as against giving them all the money for capital expenditures? His caucus would prefer the entitlement route at this time in that true equalization means all districts entitled under the GTB base would receive monies.

Senator Stang said the flaw he sees in this approach is that some of the school districts, i.e. Whitehall, that have passed a bond issue will have a tough time building under the scenario as described by Rep. Hanson. SB 32 was created to address the bonding issue. He would rather see the bill restored to the condition it left the Senate. It appears to him that money is given to districts who may not need the money and the original intent of the bill was to take care of the bonding for people who do need it.

Rep. Hanson rebutted by saying he has run this concept past Mae Nan Ellingson, bonding counsel, and she agreed with the concept. He said that as far as allowing the districts to sell the bonds, both bills will accomplish that. The big difference is should the State subsidize debt service for a district, or should they try to equalize expenditures within all districts. He feels very strongly that the small districts are the ones who will need this money. They have not been able to make changes to

correct health, safety and accreditation problems.

Chairman Towe asked if the debt service would take care of these small districts. Rep. Hanson responded, "Not unless they sell bonds, and they can't sell bonds". Chairman Towe asked for numbers to compare on the two issues. Rep. Hanson suggested taking this issue out of this bill and going with SB 32 on this problem.

Senator Stang said there was clear agreement when SB 32 left the Senate that it would take care of all the problems that were out there, and the House amendments seem unnecessary at this point in time. The fear of the districts is that this Committee will play around, not agree on SB 32, and HB 667 will die. If that is the only amendment that this Committee cannot agree on, then the House needs to decide if they want to kill HB 667 on that basis. However, to Senator Stang, the bonding issue is more important than HB 667. That could bring the Legislature back into Special Session faster than anything, in his opinion.

Sen. Mignon Waterman, Senate District 22, added that there is a compromise proposal that has been developed and is being bantered around for possibly solving the deadlock on SB 32. She offered to discuss this with the Committee for its consideration. She said one of the problems the Senate Conference Committee had with SB 32 is that a large number of districts will get only $10 or less per year and would have to save up for a decade to replace a window. It may be a good concept, but if it is only funded with $2 million, there is simply not enough money to give to every school district in the State. The Senate members believe that it is important to target the money to those districts that are actually bonding. She personally believes that all districts that have had bonds in the past, or in the future, should be funded. In conclusion, Sen. Waterman said if the money is limited to the approximately $2 million figure in the bill, she thinks it needs to be targeted, as in SB 32.

Pat Melby, Underfunded Schools Coalition, said their organization has worked up some figures on this issue and will make them available to the Committee. These are numbers showing how the money will be distributed under the House version of SB 32. This will show which school districts are contemplated to receive bonding funds under SB 32.

DISCUSSION ON ITEM 12, EXHIBIT NO. 1: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from the new impact aid fund to the general fund.

Chairman Towe said this item complies with Federal requirements on the use of Indian impact aid. Rep. Boharski said the House does not have a problem with this item, except he is not sure if HB 667 is clear on an issue that is directly related to this. That is, since allowing districts to pile their PL874 Funds on top of their budget caps, the way HB 667 came out of the

House, the fiscal note was incorrect. The question is, should the base for an PL874 District be a budget without PL874 funds in it, or with PL874 funds in it. There are a lot of districts showing a high base because they get the PL874 Funds. Rep. Boharski sees the question as being where to start those districts.

Chairman Towe asked if he is talking about districts below 80% or those above 80%, or both. Rep. Boharski said it would be both. He is more concerned about those below the 80% and whether they can add 4% of their budget, plus use PL874 Funds. We will have to subsidize that.

Curt Nichols explained that the cost problem relates less to the fact that PL874 Funds can be used in the General Fund budget; the problem relates to the transition from '93 to '94. In HB 667, as it is written, the budget for determining the caps and limits in '94 is the '93 budget in total. There are a number of districts whose '93 budget in total exceeds 80%, but after pulling their PL874 Funds out and moving them to a separate fund, their budget would be below 80% and they would be phasing up to 80%. The way the law reads now, that district would have to go at least to 80%; they could not fall in that range below, and therefore, they will face increased levies and the State will face increased GTB because the transition has not been addressed.

Chairman Towe asked if this is the present version of HB 667 as amended by the Senate. Mr. Nichols replied this is correct--the way the bill is drafted now.

Chairman Towe asked what is being suggested. Mr. Nichols explained it would segregate the '93 budget into a portion that was PL874 Funds, and a portion that was base budget; the new base would drive the caps and limits. Chairman Towe asked if a district would take the base, without PL874 Funds, then determine whether it meets the 80% rule. Mr. Nichols said this is correct. The estimate on the savings is approximately $3.5 million.

DISCUSSION ON ITEM 13, EXHIBIT NO. 1: Removed House "Wanzenried" amendment.

Rep. Boharski said the House members have no problem with this item.

DISCUSSION ON ITEM 14, EXHIBIT NO. 1: Replaced monthly 8% SEA payment with 10% payment.

Rep. Boharski asked a question of anyone from the LFA or Budget Office if this item would impact the State's cash flow. Mr. Nichols said this is a compromise amendment that works out very well for the State.

DISCUSSION ON ITEM 15, EXHIBIT NO. 1: Allowed a school of a district more than 20 miles from another school in that district

to receive separate basic entitlement.

Rep. Boharski said there has been some discussion of possibly allowing schools currently receiving multiple building payments to perhaps receive 50% of the base entitlement for a second building. This would give them a two-year chance to know this new system. Rep. Boharski asked about the possibility of giving a base entitlement to every district now, for multiple buildings in '93, '94, and '95. Madalyn Quinlan, OPI, said she cannot give a price tag for this, but there are 30 school districts now who have multiple buildings (one school in a district that is more than three miles from another school in the district funded as a separate budget unit.) Some districts are funded for school buildings that are closer than that, but OPI is phasing that out over a period of time as per a 1989 law. School buildings that are more than three miles apart are funded as separate budget units. HB 667 is written that two school buildings within the same district would have to be 20 miles apart before they would be funded for a separate budget. Ms. Quinlan said there is a school district in Custer County, for instance, with a total of 16 children in the school district who are in three different schools. Those schools are between 12 and 20 miles apart over gravel roads. Those schools probably need to continue to exist, and if they are going to exist, they will each need a teacher. That is the justification for providing funding to those schools as if they were each a school district.

DISCUSSION ON ITEM 16, EXHIBIT NO. 1: Added interim study of non-levy revenue.

Rep. Peck said he thinks the options in the bill for creating a study committee are kind of wild and he would like to zero it down a little better.

DISCUSSION ON ITEM 17, EXHIBIT NO. 1: Appropriated $400,000 to OPI for implementation.

Chairman Towe said it is his understanding the $400,000 needs to be appropriated to OPI for implementation in order to get the changes in the computer system for the payments to get out on time. Rep. Hanson said his only problem with this item is the size of it. He would like to see money there, but he questions whether the amount can be justified. Greg Groepper said this is a line item appropriation; they can only spend it for necessary expenses to implement the provisions of the Act. OPI wouldn't have any problem coming before the Finance Committee, if that is appropriate, and let them know where the money is spent. OPI couldn't find enough qualified staff to hire them and get the GTB payments out in November. Because schools are getting less money under this bill, it is important that they get their GTB payment in November, which is from $40 million to over $100 million. OPI called the big eight accounting firms for staff they could bring in to do the programming in order make the GTB base component work. OPI also realized they have a special

ed component that needs to be on line for school district budgeting for school year '95. OPI would also have to do GTB capital outlay, and he assumes this will have to be done as early as November. The accounting firms gave a ceiling price to OPI, and it is OPI's intention to bid the work out. If the bid comes in lower, the money will revert. He doesn't think the $400,000 is an unreasonable figure.

Senator Stang said Mr. Groepper is correct; the way the amendment is written, the money reverts back if it is not spent. The bids they have asked for have come in with the highest bid at the $400,000 figure, with the lowest bid around $300,000. The bids were asked for prior to the special ed and capital outlay. He said this is a whole re-write of almost every educational law and every program in their system.

DISCUSSION ON ITEM 18, EXHIBIT NO. 1: Provided moratorium on allowing a district to create a new school district out of the territory of an existing district.

Chairman Towe said this is the Waterman amendment, and its purpose is to avoid splitting up schools to get more base entitlement and per ANB money.

DISCUSSION ON ITEM 19, EXHIBIT NO. 1: Required any OPI audit to be done by contract rather than Office of Legislative Auditor.

Rep. Boharski and Senator Stang said there will be some compromise language available on this item which will be presented at a later meeting.

DISCUSSION ON ITEM 20, EXHIBIT NO. 1: Act is void if SB 436 (the Realty Transfer Tax bill) is not passed and approved.

MOTION:

Rep. Boharski moved to strike this item.

SUMMARY:

Chairman Towe summarized this meeting by saying this Committee will discuss 5 years versus 3 years in Item No. 1. They will also further discuss Items 6, 7, 8, 10, and 20. Items numbered 11, 12, 15, 16, and 19 are open for further discussion.

Chairman Towe did not recognize the motion so that no action was taken on Rep. Boharski's motion at this time.

There was a suggestion to add three groups to the non-levy study (Item 16). They are the Montana Federation of Teachers, the Montana Association of Business Officials, and the Montana Rural Education Association.

Curt Nichols said the General Fund appropriation should be

added. Madalyn Quinlan explained that SB 378, by Senator Grosfield, de-earmarks the State Equalization Aid Account, so there will be $130 million to $150 million less deposited into that account each year. There will need to be a General Fund appropriation put on HB 667 so all those costs are programmed. Chairman Towe said this General Fund appropriation would be added as Item 21.

Rep. Hanson asked the staff if there is anything they consider to be minor in the amendments to HB 667 that is not included on this list. Ms. McClure said that because this bill was amended so fast, they have not had a chance to read it thoroughly to find technical oversights. They are in the process of doing that now. The Legislative Council will also have to be allowed to coordinate this with whatever other bills are passed.

Chairman Towe asked if there is anything else to be discussed by this Committee that is not included in the 21 items.

Senator Waterman said a concern was brought to her attention by the Lame Deer School District regarding creation of new school districts under her Senate floor amendment. Ms. McClure said that is already taken care of, and to make certain, they will add a subsection to make it clear.

ADJOURNMENT

Adjournment: The meeting adjourned at 5:00 p.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

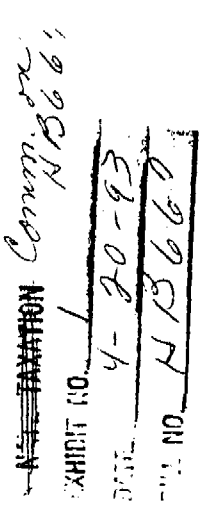
ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-20-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		



HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR

1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191% (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

Fiscal Cons. Comm.
SENATE TAXATION
EXHIBIT NO. 2
DATE 4-20-93
BILL NO. HB667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE BOHARSKI
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED BUT, SPECIAL ED COSTS INCLUDED IN BUDGETS
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

20-Apr-93
01:16 PM

NOT INTENDED TO REFLECT CURRENT HB 667; CALCULATIONS USE ENROLLMENT.

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT GUARANTEED MILL VALUE		1.78/1.21=	147%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			4.00%
MAXIMUM PER STUDENT REDUCTION ANB		1500	800
CURRENT FY 93 GF BUDGETS	$583,871,647		
TOTAL SIMULATED GF BUDGETS	$604,864,961		
DIFFERENCE IN GF BUDGETS	$20,993,315	$13,255,265	$7,738,050
OLD STATE SUPPORT	$412,556,406		
NEW STATE SUPPORT	$398,481,772		
STATE SUPPORT DIFFERENCE	($14,074,634)	($13,900,558)	($174,076)
STATE EQUALIZATION %	91.73%		
	$298,058,452	$100,423,320	
NON LEVY REVENUE TOGGLE SWITCH - KADAS (1 = TO STATE, 0 = TO DISTRICTS)		0	
NONLVY REV PORTION ACT OR BUDG - KADAS (1 = ACTUAL, 0 = BUDGET)		0	
SPEC ED ANB TOGGLE SWITCH (1 = INCLUDED, 0 = NOT INCLUDED)		0	
REGRESSION MULTIPLIER		1	
BUDG93/ACT92 NONLVY TOGGLE - BOHARSKI (1 = ACTUAL, 0 = BUDGET)		1	
5 MILL TOGGLE - PECK (1 = 5 MILLS ADDED, 0 = NO 5 MILLS)		0	
WEIGHTED GTB TOGGLE - STANG (1 = WEIGHTED GTB SYSTEM, 0 = CURRENT SYSTEM)		1	

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE BOHARSKI
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED BUT, SPECIAL ED COSTS INCLUDED IN BUDGETS
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

20-Apr-93
01:20 PM

NOT INTENDED TO REFLECT CURRENT HB 667; CALCULATIONS USE ENROLLMENT.

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE		1.76/1.21=	145%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			4.00%
MAXIMUM PER STUDENT REDUCTION ANB		1500	800
CURRENT FY 93 GF BUDGETS	$583,871,647		
TOTAL SIMULATED GF BUDGETS	$604,864,961		
DIFFERENCE IN GF BUDGETS	$20,993,315	$13,255,265	$7,738,050
OLD STATE SUPPORT	$412,556,406		
NEW STATE SUPPORT	$398,528,599		
STATE SUPPORT DIFFERENCE	($14,027,807)	($14,007,803)	($20,003)
STATE EQUALIZATION %	91.33%		
	$298,058,452	$100,470,147	
NON LEVY REVENUE TOGGLE SWITCH - KADAS (1 = TO STATE, 0 = TO DISTRICTS)		0	
NONLVY REV PORTION ACT OR BUDG - KADAS (1 = ACTUAL, 0 = BUDGET)		0	
SPEC ED ANB TOGGLE SWITCH (1 = INCLUDED, 0 = NOT INCLUDED)		0	
REGRESSION MULTIPLIER		1	
BUDG93/ACT92 NONLVY TOGGLE - BOHARSKI (1 = ACTUAL, 0 = BUDGET)		1	
5 MILL TOGGLE - PECK (1 = 5 MILLS ADDED, 0 = NO 5 MILLS)		0	
WEIGHTED GTB TOGGLE - STANG (1 = WEIGHTED GTB SYSTEM, 0 = CURRENT SYSTEM)		0	

Ways & Means Conference Comm.
Exhibit #2
4-20-93
HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE BOHARSKI
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED BUT, SPECIAL ED COSTS INCLUDED IN BUDGETS
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

20-Apr-93
01:20 PM

NOT INTENDED TO REFLECT CURRENT HB 667; CALCULATIONS USE ENROLLMENT.

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE		1.73/1.21=	143%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			4.00%
MAXIMUM PER STUDENT REDUCTION ANB		1000	800
CURRENT FY 93 GF BUDGETS	$583,871,647		
TOTAL SIMULATED GF BUDGETS	$605,024,711		
DIFFERENCE IN GF BUDGETS	$21,153,065	$13,415,015	$7,738,050
OLD STATE SUPPORT	$412,556,406		
NEW STATE SUPPORT	$398,334,054		
STATE SUPPORT DIFFERENCE	($14,222,352)	($13,700,273)	($522,079)
STATE EQUALIZATION %	91.51%		
	$298,967,059	$99,366,995	
NON LEVY REVENUE TOGGLE SWITCH - KADAS (1 = TO STATE, 0 = TO DISTRICTS)		0	
NONLVY REV PORTION ACT OR BUDG - KADAS (1 = ACTUAL, 0 = BUDGET)		0	
SPEC ED ANB TOGGLE SWITCH (1 = INCLUDED, 0 = NOT INCLUDED)		0	
REGRESSION MULTIPLIER		1	
BUDG93/ACT92 NONLVY TOGGLE - BOHARSKI (1 = ACTUAL, 0 = BUDGET)		1	
5 MILL TOGGLE - PECK (1 = 5 MILLS ADDED, 0 = NO 5 MILLS)		0	
WEIGHTED GTB TOGGLE - STANG (1 = WEIGHTED GTB SYSTEM, 0 = CURRENT SYSTEM)		0	

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE BOHARSKI
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED BUT, SPECIAL ED COSTS INCLUDED IN BUDGETS
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

20-Apr-93
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NOT INTENDED TO REFLECT CURRENT HB 667; CALCULATIONS USE ENROLLMENT.

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT 'GUARANTEED MILL VALUE		1.75/1.21=	145%
REQUIRED LOW SPENDER GROWTH			20.00%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			4.00%
MAXIMUM PER STUDENT REDUCTION ANB		1000	800
CURRENT FY 93 GF BUDGETS	$583,871,647		
TOTAL SIMULATED GF BUDGETS	$605,024,711		
DIFFERENCE IN GF BUDGETS	$21,153,065	$13,415,015	$7,738,050
OLD STATE SUPPORT	$412,556,406		
NEW STATE SUPPORT	$398,323,608		
STATE SUPPORT DIFFERENCE	($14,232,797)	($13,518,107)	($714,691)
STATE EQUALIZATION %	91.92%		
	$298,967,059	$99,356,550	
NON LEVY REVENUE TOGGLE SWITCH - KADAS (1 = TO STATE, 0 = TO DISTRICTS)		0	
NONLVY REV PORTION ACT OR BUDG - KADAS (1 = ACTUAL, 0 = BUDGET)		0	
SPEC ED ANB TOGGLE SWITCH (1 = INCLUDED, 0 = NOT INCLUDED)		0	
REGRESSION MULTIPLIER		1	
BUDG93/ACT92 NONLVY TOGGLE - BOHARSKI (1 = ACTUAL, 0 = BUDGET)		1	
5 MILL TOGGLE - PECK (1 = 5 MILLS ADDED, 0 = NO 5 MILLS)		0	
WEIGHTED GTB TOGGLE - STANG (1 = WEIGHTED GTB SYSTEM, 0 = CURRENT SYSTEM)		1	

)FFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SPECIAL ED ANB NOT INCLUDED BUT, SPECIAL ED COSTS INCLUDED IN BUDGETS
LI TING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS
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19-Apr-93
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Fair Conf. Comm.
SENATE TAXATION
EXHIBIT NO. 3
DATE 4-20-93
BILL NO. HB 667

		ELEMENTARY	HIGH SCHOOL
BASE ENTITLEMENT		$18,000	$200,000
PER STUDENT ALLOCATION		$3,500	$4,900
PER STUDENT REDUCTION FACTOR		$0.20	$0.50
STATE SUPPORT PERCENTAGE - BASE			40.00%
GUARANTEE PERCENTAGE - BASE			40.00%
UNSUBSIDIZED PERCENTAGE - BASE			20.00%
STATE SUPPORT PERCENTAGE - PER STUDENT			40.00%
GUARANTEE PERCENTAGE - PER STUDENT			40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT			20.00%
MILL GUARANTEE PERCENT OF CURRENT GUARANTEED MILL VALUE		1.91/1.21=	158%
REQUIRED LOW SPENDER GROWTH			33.33%
REQUIRED HIGH SPENDER REDUCTION			0.00%
ESTIMATED DISTRICT BUDGET GROWTH			4.00%
MAXIMUM PER STUDENT REDUCTION ANB		1000	800
CURRENT FY 93 GF BUDGETS	$612,288,982		
TOTAL SIMULATED GF BUDGETS	$634,000,732		
DIFFERENCE IN GF BUDGETS	$21,711,750	$13,635,623	$8,076,127
OLD STATE SUPPORT	$412,556,406		
NEW STATE SUPPORT	$409,236,320		
STATE SUPPORT DIFFERENCE	($3,320,085)	($6,724,407)	$3,404,321
STATE EQUALIZATION %	88.79%		
	$298,986,179	$110,250,141	
NON LEVY REVENUE TOGGLE SWITCH - KADAS (1 = TO STATE, 0 = TO DISTRICTS)		0	
NONLVY REV PORTION ACT OR BUDG - KADAS (1 = ACTUAL, 0 = BUDGET)		0	
SPEC ED ANB TOGGLE SWITCH (1 = INCLUDED, 0 = NOT INCLUDED)		0	
REGRESSION MULTIPLIER		1	
BUDG93/ACT92 NONLVY TOGGLE - BOHARSKI (1 = ACTUAL, 0 = BUDGET)		1	
5 MILL TOGGLE - PECK (1 = 5 MILLS ADDED, 0 = NO 5 MILLS)		0	
WEIGHTED GTB TOGGLE - STANG (1 = WEIGHTED GTB SYSTEM, 0 = CURRENT SYSTEM)		1	

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	476	26.58	$2,537,450	$2,037,043	24.67	0.00	$1,428,200	$1,927,213	$74,124	-1.91	75.95%	
BEAVERHEAD	DILLON ELEM	986	32.97	$3,984,311	$3,212,324	49.44	8.25	$2,455,262	$3,297,833	$126,840	24.73	82.77%	
BEAVERHEAD	GRANT ELEM	28	14.39	$115,924	$92,740	32.05	0.00	$46,370	$82,693	$5,023	17.66	71.33%	
BEAVERHEAD	JACKSON ELEM	17	19.24	$77,473	$61,978	35.55	24.65	$30,989	$77,473	$699	40.96	100.00%	
BEAVERHEAD	LIMA ELEM	80	0.00	$409,716	$329,262	35.30	0.00	$204,514	$311,548	$11,983	35.30	76.04%	
BEAVERHEAD	LIMA H S	37	18.76	$385,643	$309,052	24.95	0.00	$228,402	$295,592	$11,369	6.19	76.65%	
BEAVERHEAD	POLARIS ELEM	14	23.94	$66,982	$53,585	30.30	0.00	$29,682	$42,233	$5,676	6.36	63.05%	
BEAVERHEAD	REICHLE ELEM	15	12.15	$70,479	$56,383	19.97	32.10	$28,287	$71,667	$0	39.92	101.69%	
BEAVERHEAD	WISDOM ELEM	47	0.00	$182,284	$145,827	37.23	0.00	$81,075	$145,600	$5,600	37.23	79.88%	
BEAVERHEAD	WISE RIVER ELEM	23	12.71	$98,449	$78,760	44.90	3.28	$40,149	$80,908	$3,112	35.47	82.18%	
BIG HORN	COMMUNITY ELEM	21	5.59	$91,458	$73,166	14.17	11.31	$36,583	$91,225	$3,509	19.89	99.75%	
BIG HORN	HARDIN ELEM	1,203	36.48	$4,955,563	$4,014,772	54.07	0.00	$3,207,957	$4,955,563	$161,873	17.59	100.00%	
BIG HORN	HARDIN H S	409	0.00	$2,251,336	$1,811,302	12.71	16.61	$965,985	$2,719,397	$0	29.32	120.79%	**
BIG HORN	LODGE GRASS ELEM	393	0.00	$1,706,918	$1,381,320	0.00	257.28	$714,840	$2,751,602	$0	257.28	161.01%	
BIG HORN	LODGE GRASS H S	187	0.00	$1,172,233	$945,221	0.00	111.71	$485,283	$1,919,482	$0	111.71	163.75%	
BIG HORN	PLENTY COUPS HS	62	42.51	$530,948	$427,990	30.58	0.00	$392,066	$616,704	$0	-11.93	116.15%	
BIG HORN	PRYOR ELEM	36	57.35	$257,337	$208,521	58.15	0.00	$170,291	$300,865	$0	0.80	116.91%	
BIG HORN	SQUIRREL CRK ELEM	4	0.75	$31,999	$25,599	0.00	3.82	$12,800	$70,006	$0	3.07	218.78%	**
BIG HORN	WYOLA ELEM	55	52.74	$243,228	$198,361	56.53	51.90	$138,158	$483,491	$0	55.70	198.76%	
BLAINE	BEAR PAW ELEM	15	0.00	$70,479	$56,383	15.86	14.42	$28,192	$70,886	$0	30.28	100.58%	
BLAINE	CHINOOK ELEM	325	20.04	$1,343,097	$1,078,663	17.92	49.87	$640,840	$1,268,800	$46,800	47.75	94.47%	
BLAINE	CHINOOK H S	208	8.50	$1,244,841	$1,000,060	7.32	16.77	$557,628	$1,133,600	$43,600	15.58	91.06%	
BLAINE	CLEVELAND ELEM	10	0.00	$52,991	$42,393	15.70	10.15	$21,196	$52,991	$242	25.85	100.00%	
BLAINE	HARLEM ELEM	438	35.56	$1,789,067	$1,441,462	54.65	0.00	$1,231,408	$2,000,000	$0	19.09	111.79%	**
BLAINE	HARLEM H S	143	5.97	$908,228	$728,032	25.11	0.00	$541,869	$1,085,320	$0	19.14	119.50%	
BLAINE	HAYS-LODGE POLE ELEM	153	58.77	$705,052	$566,772	53.42	798.30	$536,610	$1,054,223	$0	792.94	149.52%	
BLAINE	HAYS-LODGE POLE H S	90	35.79	$666,735	$536,579	31.16	0.00	$517,528	$755,346	$0	-4.63	113.29%	
BLAINE	LLOYD ELEM	2	0.00	$25,000	$20,000	0.00	10.63	$10,000	$34,527	$0	10.63	138.11%	**
BLAINE	N HARLEM COLONY ELEM	8	50.77	$48,735	$39,303	52.06	0.00	$31,964	$38,505	$1,481	1.29	79.01%	
BLAINE	TURNER ELEM	65	73.38	$358,499	$287,272	45.85	40.56	$160,914	$353,825	$13,609	13.02	98.70%	
BLAINE	TURNER H S	35	40.29	$371,203	$296,962	24.75	10.41	$212,541	$316,629	$12,178	-5.13	85.30%	
BLAINE	ZURICH ELEM	67	0.00	$254,699	$204,063	28.03	5.83	$102,549	$215,476	$8,288	33.86	84.60%	**
BROADWATER	BROADWATER CO HS	223	11.05	$1,304,071	$1,045,988	15.80	0.00	$556,048	$884,700	$80,644	4.75	67.84%	
BROADWATER	TOWNSEND ELEM	521	13.80	$2,132,412	$1,712,438	35.22	0.00	$924,718	$1,467,479	$112,479	21.42	69.76%	
CARBON	BELFRY ELEM	65	1.81	$422,862	$340,106	0.00	109.82	$173,150	$650,000	$0	-108.01	153.71%	**
CARBON	BELFRY H S	42	0.00	$405,370	$324,296	0.00	120.58	$162,148	$555,200	$0	120.58	161.63%	**
CARBON	BOYD ELEM	10	8.60	$52,991	$42,393	29.25	0.00	$21,196	$38,619	$1,687	20.65	72.88%	
CARBON	BRIDGER ELEM	155	18.57	$703,965	$567,137	32.64	20.75	$322,088	$644,936	$24,805	34.82	91.61%	
CARBON	BRIDGER H S	80	27.51	$615,001	$494,828	16.96	24.49	$312,727	$586,630	$22,563	13.94	95.39%	
CARBON	EDGAR ELEM	17	20.30	$77,473	$61,978	4.18	57.85	$30,989	$107,640	$0	41.73	138.94%	**
CARBON	FROMBERG ELEM	115	49.59	$524,632	$422,185	46.92	20.03	$333,457	$442,439	$17,017	17.36	84.33%	
CARBON	FROMBERG H S	63	31.14	$512,875	$410,693	26.06	16.04	$325,968	$436,271	$16,780	10.98	85.06%	
CARBON	JACKSON ELEM	12	45.11	$59,987	$47,989	55.84	50.08	$34,303	$59,245	$2,279	60.82	98.76%	
CARBON	JOLIET ELEM	221	24.03	$956,257	$767,731	39.38	0.00	$568,472	$712,420	$27,655	15.35	74.50%	
CARBON	JOLIET H S	133	19.97	$863,887	$693,016	22.96	0.00	$524,323	$636,335	$28,341	2.99	73.66%	
CARBON	LUTHER ELEM	23	8.79	$98,449	$78,760	41.12	0.00	$41,501	$78,065	$3,003	32.33	79.29%	
CARBON	RED LODGE ELEM	414	32.33	$1,706,831	$1,373,223	41.28	0.00	$934,913	$1,229,516	$71,853	6.95	71.95%	
CARBON	RED LODGE H S	180	21.28	$1,109,597	$891,779	24.96	0.00	$603,055	$813,957	$38,911	3.68	73.36%	
CARBON	ROBERTS ELEM	84	38.20	$416,751	$334,430	50.37	1.03	$260,324	$335,465	$12,903	13.20	80.50%	
CARBON	ROBERTS H S	48	19.90	$436,543	$349,546	23.15	0.00	$273,519	$329,001	$12,654	3.25	75.35%	
CARTER	ALBION ELEM	7	0.00	$42,496	$33,997	20.62	1.44	$16,998	$34,786	$1,338	22.06	81.86%	**
CARTER	ALZADA ELEM	15	0.00	$70,479	$56,383	5.46	1.20	$28,192	$59,983	$2,307	6.66	85.11%	
CARTER	CARTER CO H S	49	18.15	$445,611	$357,190	0.00	11.40	$179,791	$498,500	$0	-6.75	111.87%	
CARTER	EKALAKA ELEM	100	69.91	$434,928	$347,946	28.61	59.97	$208,164	$454,272	$0	18.67	104.45%	
CARTER	HAMMOND-HAWKS HOME	21	0.00	$91,458	$73,166	32.96	5.73	$36,583	$78,208	$3,008	38.69	85.51%	

)FFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
:CHOOL FUNDING ANALYSIS
:ORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
:OURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
:PECIAL ED ANB NOT INCLUDED BUT;
:PECIAL ED COSTS INCLUDED IN BUDGETS

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19-Apr-93
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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

:OUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
:ARTER	JOHNSTON ELEM	4	0.00	$31,999	$25,599	27.62	0.00	$12,800	$24,592	$946	27.62	76.85%	
:ARTER	PINE HILL-PLAINVW EL	11	0.00	$56,489	$45,191	25.77	1.29	$22,596	$45,760	$1,760	27.06	81.01%	**
:ARTER	RIDGE ELEM	3	0.00	$28,499	$22,800	40.05	25.02	$11,400	$28,281	$1,088	65.07	99.23%	
:ASCADE	BELT ELEM	236	27.40	$1,018,029	$818,662	45.81	4.95	$497,016	$843,929	$32,459	23.36	82.90%	
:ASCADE	BELT H S	102	42.31	$735,736	$593,019	23.27	20.36	$422,742	$666,595	$25,638	1.32	90.60%	
:ASCADE	CASCADE ELEM	245	34.67	$1,034,819	$831,639	34.39	0.00	$545,630	$744,463	$43,586	-0.28	71.94%	
:ASCADE	CASCADE H S	138	21.26	$904,358	$727,269	21.97	0.00	$505,019	$694,900	$26,727	0.71	76.84%	
:ASCADE	CENTERVILLE EL	244	52.08	$1,046,502	$843,696	49.89	10.88	$681,908	$865,640	$33,294	8.69	82.72%	
:ASCADE	CENTERVILLE H S	115	27.93	$779,009	$625,369	19.32	0.00	$457,880	$553,574	$35,897	-8.61	71.06%	
:ASCADE	DEEP CREEK ELEM	2	5.60	$25,000	$20,000	1.29	39.04	$10,000	$41,310	$0	34.73	165.24%	**
:ASCADE	GREAT FALLS EL	8,886	60.66	$34,536,491	$27,935,056	54.63	23.20	$22,833,232	$30,837,965	$1,186,076	17.17	89.29%	
:ASCADE	GREAT FALLS H S	3,582	52.57	$17,659,750	$14,263,601	28.59	19.67	$11,078,496	$16,366,968	$630,268	-4.30	92.79%	
:ASCADE	SIMMS H S	167	59.26	$1,043,871	$838,836	31.06	0.77	$703,267	$841,563	$32,368	-27.43	80.62%	
:ASCADE	SUN RIVER VALLEY ELM	263	62.93	$1,131,800	$912,361	51.74	63.71	$747,285	$1,051,433	$40,440	52.52	92.90%	
:ASCADE	ULM ELEM	128	51.24	$553,179	$445,572	36.62	0.00	$338,770	$403,449	$21,061	-14.62	72.93%	
:ASCADE	VAUGHN ELEM	175	61.74	$784,022	$631,935	56.74	4.93	$546,180	$638,531	$24,559	-0.07	81.44%	
:HOTEAU	BIG SANDY ELEM	179	33.66	$770,840	$619,514	31.29	25.69	$314,601	$792,742	$0	23.32	102.84%	
:HOTEAU	BIG SANDY H S	101	25.92	$726,243	$584,890	21.47	18.23	$317,634	$726,243	$12,264	13.78	100.00%	
:HOTEAU	CARTER ELEM	3	9.69	$28,499	$22,800	0.00	18.52	$11,400	$55,435	$0	8.83	194.51%	**
:HOTEAU	FT BENTON ELEM	352	61.02	$1,441,536	$1,159,316	46.19	28.78	$770,294	$1,326,468	$51,018	13.94	92.02%	
:HOTEAU	FT BENTON H S	185	29.55	$1,125,805	$903,844	27.29	8.03	$542,880	$966,778	$37,953	5.77	87.65%	
:HOTEAU	GERALDINE ELEM	112	13.60	$496,274	$399,045	3.62	48.86	$202,975	$588,483	$0	38.88	118.58%	**
:HOTEAU	GERALDINE H S	47	18.88	$429,760	$343,808	8.14	34.21	$176,252	$502,850	$0	23.47	117.01%	**
:HOTEAU	HIGHWOOD ELEM	88	75.57	$441,821	$356,071	26.86	96.98	$199,920	$580,309	$0	48.27	131.34%	
:HOTEAU	HIGHWOOD H S	52	21.80	$461,562	$370,122	9.08	21.47	$212,940	$426,535	$16,405	8.76	92.41%	
:HOTEAU	KNEES ELEM	3	10.43	$34,289	$28,097	3.12	15.42	$15,184	$54,080	$0	8.11	157.72%	**
:HOTEAU	LOMA ELEM	6	10.60	$38,997	$31,198	0.00	13.85	$15,599	$51,886	$0	3.25	133.05%	
:HOTEAU	WARRICK ELEM	6	1.66	$38,997	$31,198	9.10	12.89	$15,599	$39,335	$0	20.33	100.87%	**
CUSTER	COTTONWOOD EL	14	30.09	$66,982	$53,585	46.98	98.16	$31,798	$88,420	$0	117.05	132.01%	
CUSTER	CUSTER CO H S	684	41.58	$3,638,819	$2,934,523	24.79	0.00	$2,212,248	$2,889,903	$111,150	-16.79	79.42%	
CUSTER	HKT-BASIN SPR CRK EL	4	7.46	$31,999	$25,599	17.18	13.81	$12,800	$32,189	$0	23.54	100.59%	
CUSTER	KINSEY ELEM	46	20.93	$183,967	$147,769	45.16	0.00	$91,537	$146,263	$5,626	24.23	79.50%	
CUSTER	KIRCHER ELEM	50	0.00	$199,323	$160,214	26.87	0.00	$81,395	$160,079	$6,157	26.87	80.31%	**
CUSTER	MILES CITY ELEM	1,333	56.59	$5,550,136	$4,492,913	47.79	0.00	$3,686,250	$4,468,999	$171,885	-8.80	80.52%	
CUSTER	MOON CREEK EL	6	0.00	$38,997	$31,198	17.36	2.88	$15,599	$33,280	$1,280	20.24	85.34%	
CUSTER	S H-FOSTER CRK ELEM	11	0.00	$56,489	$45,191	20.43	0.00	$23,679	$36,962	$4,115	20.43	65.43%	
CUSTER	S Y ELEM	9	0.00	$49,493	$39,594	25.70	0.00	$19,797	$30,865	$4,365	25.70	62.36%	
CUSTER	TRAIL CREEK EL	9	16.61	$49,493	$39,594	37.42	0.00	$19,797	$34,627	$2,483	20.81	69.96%	
CUSTER	TWIN BUTTES EL	4	0.00	$31,999	$25,599	21.88	20.83	$12,800	$32,022	$0	42.71	100.07%	**
CUSTER	WHITNEY CRK EL	4	0.00	$31,999	$25,599	40.70	25.75	$12,835	$31,200	$1,200	66.45	97.50%	**
DANIELS	FLAXVILLE ELEM	29	45.22	$204,596	$164,642	11.40	74.56	$83,967	$282,836	$0	40.74	138.24%	**
DANIELS	FLAXVILLE H S	27	6.92	$334,193	$267,592	12.15	24.68	$163,807	$306,722	$11,797	29.91	91.78%	**
DANIELS	PEERLESS ELEM	42	40.66	$238,835	$192,960	0.00	127.64	$99,750	$367,887	$0	86.98	154.03%	**
DANIELS	PEERLESS H S	31	36.13	$358,791	$287,852	9.04	63.65	$173,298	$384,495	$0	36.56	101.59%	**
DANIELS	SCOBEY ELEM	234	61.44	$1,005,387	$809,097	27.13	55.27	$499,795	$1,005,387	$27,071	20.96	100.00%	**
DANIELS	SCOBEY H S	108	60.00	$746,863	$599,855	14.84	52.80	$383,654	$787,365	$0	7.64	105.42%	**
DAWSON	BLOOMFIELD ELEM	28	1.22	$115,924	$92,740	19.31	0.00	$46,370	$84,993	$3,873	18.09	73.32%	**
DAWSON	DAWSON CO H S	542	35.65	$2,905,049	$2,338,137	15.02	15.77	$1,478,999	$2,724,644	$104,794	-4.85	93.79%	
DAWSON	DEER CREEK ELEM	26	1.67	$108,935	$87,148	10.53	0.00	$43,574	$92,423	$3,555	8.86	84.84%	**
DAWSON	GLENDIVE ELEM	1,134	37.22	$4,691,240	$3,795,650	41.96	8.54	$2,807,596	$3,992,159	$153,545	13.28	85.10%	
DAWSON	LINDSAY ELEM	8	0.00	$45,994	$36,796	0.00	25.04	$18,398	$75,712	$0	25.04	164.61%	**
DAWSON	RICHEY ELEM	54	63.47	$298,204	$239,749	18.44	100.21	$121,896	$444,454	$0	55.18	149.04%	**
DAWSON	RICHEY H S	53	24.90	$459,011	$367,209	19.12	21.70	$237,148	$426,561	$16,406	15.91	92.93%	
DEER LODGE	ANACONDA ELEM	1,110	34.68	$4,741,355	$3,852,616	32.91	25.38	$2,780,140	$4,066,582	$156,407	23.62	85.77%	
DEER LODGE	ANACONDA H S	540	25.46	$3,090,884	$2,509,248	15.88	25.00	$1,753,461	$2,723,248	$104,740	15.42	88.11%	**

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
FALLON	BAKER ELEM	411	36.05	$1,715,128	$1,381,622	0.00	65.15	$707,037	$1,815,031	$0	29.10	105.82%	
FALLON	BAKER H S	169	10.63	$1,052,921	$846,008	0.00	19.89	$429,263	$1,492,474	$0	9.26	141.75%	
FALLON	FERTILE PRAIRIE EL	6	0.00	$38,997	$31,198	0.00	0.00	$15,599	$40,926	$0	0.00	104.95%	
FALLON	PLEVNA ELEM	92	0.00	$434,690	$352,110	0.00	26.84	$183,483	$649,911	$0	26.84	149.51%	
FALLON	PLEVNA H S	39	0.00	$390,730	$312,584	0.00	24.66	$156,292	$512,415	$0	24.66	131.14%	
FERGUS	AYERS ELEM	8	7.59	$45,994	$36,796	29.27	0.00	$23,348	$34,611	$1,331	21.68	75.25%	
FERGUS	COTTONWOOD ELEM	5	0.00	$35,498	$28,398	41.30	12.77	$19,361	$29,895	$1,150	54.07	84.22%	**
FERGUS	DEERFIELD ELEM	16	5.38	$73,976	$59,181	33.85	0.00	$40,422	$57,192	$2,200	28.47	77.31%	**
FERGUS	DENTON ELEM	146	33.60	$617,002	$494,770	44.26	1.55	$306,149	$499,266	$19,203	12.20	80.92%	
FERGUS	DENTON H S	65	12.54	$527,434	$423,095	19.97	0.00	$275,692	$389,820	$16,637	7.43	73.91%	
FERGUS	FERGUS H S	473	38.74	$2,536,548	$2,037,827	26.65	0.00	$1,517,071	$1,929,259	$74,202	-12.09	76.06%	
FERGUS	GRASS RANGE EL	92	9.04	$414,519	$333,652	33.35	28.50	$217,351	$372,866	$14,341	52.81	89.95%	**
FERGUS	GRASS RANGE H S	41	57.16	$405,469	$324,948	19.61	39.22	$229,133	$384,587	$14,792	1.67	94.85%	
FERGUS	KING COLONY EL	5	0.00	$35,498	$28,398	10.83	5.72	$14,199	$33,266	$1,279	16.55	93.71%	
FERGUS	LEWISTOWN ELEM	1,201	43.73	$4,951,319	$4,003,006	44.92	0.00	$3,194,707	$3,678,872	$162,068	1.19	74.30%	
FERGUS	MAIDEN ELEM	7	0.00	$42,496	$33,997	21.25	30.05	$19,360	$39,370	$1,514	51.30	92.65%	**
FERGUS	MOORE ELEM	96	55.67	$437,795	$351,230	49.46	30.34	$219,800	$415,184	$15,969	24.13	94.84%	
FERGUS	MOORE H S	46	37.39	$433,525	$347,815	28.51	30.74	$263,554	$412,610	$15,870	21.86	95.18%	
FERGUS	ROY ELEM	43	73.41	$200,712	$161,053	3.63	137.48	$82,373	$309,173	$0	67.70	154.04%	**
FERGUS	ROY H S	14	25.60	$268,555	$214,844	0.00	114.36	$107,422	$373,507	$0	88.76	139.08%	**
FERGUS	SPRING CRK COLONY EL	4	0.00	$31,999	$25,599	30.70	60.70	$16,266	$31,999	$12	91.40	100.00%	
FERGUS	WINIFRED ELEM	113	18.17	$501,982	$401,625	18.14	52.57	$228,805	$501,982	$5,994	52.54	100.00%	**
FERGUS	WINIFRED H S	47	29.55	$431,634	$345,706	16.30	33.69	$226,953	$409,881	$15,765	20.43	94.92%	**
FLATHEAD	BATAVIA ELEM	160	49.20	$701,448	$565,941	52.79	16.24	$491,497	$560,434	$22,324	19.83	82.75%	
FLATHEAD	BIGFORK ELEM	582	40.98	$2,394,626	$1,929,192	50.27	0.00	$1,320,489	$1,845,422	$70,978	9.29	77.07%	
FLATHEAD	BIGFORK H S	364	18.82	$1,995,529	$1,601,595	18.19	0.00	$1,026,340	$1,292,120	$154,736	-0.63	64.75%	
FLATHEAD	CAYUSE PRAIRIE ELEM	240	40.95	$1,025,012	$826,791	54.82	26.46	$701,377	$874,732	$33,644	40.32	85.34%	
FLATHEAD	COLUMBIA FALLS ELEM	1,694	35.91	$7,042,247	$5,708,094	45.23	0.00	$4,264,315	$5,371,737	$206,605	9.32	76.28%	
FLATHEAD	COLUMBIA FALLS H S	779	15.35	$4,054,056	$3,264,925	23.37	0.00	$2,309,587	$3,042,385	$117,015	8.02	75.05%	
FLATHEAD	CRESTON ELEM	85	49.61	$338,812	$273,813	52.99	0.00	$206,941	$270,621	$10,409	3.38	79.87%	
FLATHEAD	DEER PARK ELEM	92	50.90	$449,382	$362,053	55.02	56.91	$319,923	$394,414	$15,170	61.04	87.77%	
FLATHEAD	EVERGREEN ELEM	736	56.51	$3,119,091	$2,530,867	50.13	0.00	$2,071,806	$2,444,728	$94,028	-6.38	78.38%	
FLATHEAD	FAIR-MONT-EGAN ELEM	170	46.35	$737,816	$592,911	42.05	0.00	$457,270	$524,327	$34,292	-4.30	71.06%	
FLATHEAD	FLATHEAD H S	2,101	28.22	$10,119,542	$8,130,700	27.42	0.00	$6,008,320	$7,918,135	$304,544	-0.60	78.25%	
FLATHEAD	HELENA FLATS EL	207	51.82	$880,649	$709,233	46.07	0.00	$592,071	$689,848	$26,533	-3.75	78.33%	
FLATHEAD	KALISPELL ELEM	2,520	36.49	$10,641,693	$8,654,087	47.09	0.00	$6,599,354	$8,630,915	$331,958	10.60	81.10%	
FLATHEAD	KILA ELEM	133	34.96	$505,704	$407,320	36.95	0.00	$278,704	$349,523	$28,899	1.99	69.12%	
FLATHEAD	MARION ELEM	107	46.90	$490,966	$395,990	51.96	10.28	$283,934	$413,840	$15,917	15.35	84.29%	
FLATHEAD	OLNEY-BISSELL ELEM	104	34.22	$462,292	$373,004	47.33	0.00	$269,952	$350,212	$13,470	13.11	75.76%	
FLATHEAD	PLEASANT VALLEY ELEM	9	23.21	$49,493	$39,594	38.56	0.00	$19,797	$35,410	$2,092	15.35	71.55%	
FLATHEAD	SOMERS ELEM	418	33.13	$1,662,228	$1,336,304	42.64	0.00	$830,950	$1,205,398	$65,453	9.51	72.52%	
FLATHEAD	SWAN RIVER EL	139	0.00	$592,902	$477,491	35.13	13.09	$321,806	$500,667	$19,256	48.22	84.44%	
FLATHEAD	WEST GLACIER ELEM	62	4.18	$259,451	$210,417	25.91	4.09	$110,077	$259,451	$2,707	25.82	100.00%	
FLATHEAD	WEST VALLEY EL	281	44.36	$1,185,754	$953,722	43.23	0.00	$748,151	$848,915	$52,404	-1.13	71.59%	
FLATHEAD	WHITEFISH ELEM	1,256	20.01	$5,150,502	$4,159,093	36.62	0.00	$2,769,251	$3,784,192	$187,451	16.61	73.47%	
FLATHEAD	WHITEFISH H S	608	21.28	$3,210,012	$2,582,168	19.19	0.00	$1,688,413	$2,284,746	$148,711	-2.09	71.18%	
GALLATIN	AMSTERDAM ELEM	51	19.38	$196,245	$156,996	27.21	12.53	$78,498	$183,363	$7,052	20.37	93.44%	
GALLATIN	ANDERSON ELEM	170	48.91	$729,185	$586,723	45.31	0.00	$463,668	$534,991	$25,866	-3.60	73.37%	
GALLATIN	BELGRADE ELEM	1,267	40.84	$5,175,244	$4,185,218	47.20	0.00	$3,314,999	$3,882,176	$151,521	6.36	75.01%	
GALLATIN	BELGRADE H S	481	19.00	$2,641,932	$2,129,967	20.37	0.00	$1,512,740	$1,787,446	$171,260	1.37	67.66%	
GALLATIN	BOZEMAN ELEM	3,355	34.50	$13,112,695	$10,590,445	43.55	0.00	$7,378,596	$10,192,482	$392,019	9.05	77.73%	
GALLATIN	BOZEMAN H S	1,415	33.84	$6,989,232	$5,621,470	27.62	7.31	$3,633,056	$6,025,459	$231,748	1.09	86.21%	
GALLATIN	COTTONWOOD EL	5	36.47	$35,498	$28,398	53.07	30.29	$14,615	$35,498	$678	46.89	100.00%	
GALLATIN	GALLATIN GTWY ELEM	159	39.93	$660,740	$530,534	36.26	0.00	$364,524	$460,269	$35,133	-3.67	69.66%	
GALLATIN	LA MOTTE ELEM	54	17.38	$206,714	$165,371	37.69	0.00	$103,658	$157,764	$6,068	20.31	76.32%	

Joint Conference Comm.
Exhibit #3
4-20 93
HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET	
GALLATIN	MALMBORG ELEM	8	10.79	$45,994	$36,796	24.38	0.00	$18,398	$33,920	$1,438	13.59	73.75%		
GALLATIN	MANHATTAN ELEM	371	41.65	$1,584,586	$1,277,015	45.85	0.00	$1,025,755	$1,169,791	$53,612	4.20	73.82%		
GALLATIN	MANHATTAN H S	198	24.12	$1,199,416	$964,015	22.43	0.00	$701,211	$836,861	$63,577	-1.69	69.77%		
GALLATIN	MONFORTON EL	206	44.39	$890,755	$717,539	54.18	10.02	$575,191	$738,956	$28,421	19.81	82.96%		
GALLATIN	OPHIR ELEM	63	9.42	$238,109	$190,488	15.76	0.61	$95,244	$193,240	$7,432	6.95	81.16%		
GALLATIN	PASS CREEK ELEM	9	0.00	$49,493	$39,594	31.35	11.13	$19,797	$45,847	$1,763	42.49	92.63%		
GALLATIN	SPRINGHILL EL	14	51.07	$66,982	$53,585	56.38	6.81	$39,892	$55,115	$2,120	12.11	82.28%		
GALLATIN	THREE FORKS EL	278	22.27	$1,171,897	$943,602	40.53	0.00	$555,809	$868,890	$37,356	18.26	74.14%		
GALLATIN	THREE FORKS H S	106	22.17	$720,372	$576,730	25.94	7.16	$359,915	$619,292	$23,819	10.93	85.97%		
GALLATIN	W YELLOWSTONE ELEM	160	51.76	$722,893	$582,930	40.71	20.88	$359,937	$660,237	$25,394	9.83	91.33%		
GALLATIN	W YELLOWSTONE H S	77	48.00	$583,398	$467,588	20.20	36.05	$309,138	$595,572	$0	8.25	102.09%		
GALLATIN	WILLOW CREEK EL	46	20.51	$231,577	$186,398	35.85	0.00	$99,686	$166,748	$9,825	15.34	72.01%		
GALLATIN	WILLOW CREEK HS	23	32.94	$317,730	$254,777	21.27	0.00	$182,435	$223,046	$15,866	-11.67	70.20%		
GARFIELD	BENZIEN ELEM	5	0.00	$35,498	$28,398	46.07	8.14	$17,468	$29,792	$1,146	54.21	83.93%		
GARFIELD	BIG DRY CREEK ELEM	4	0.00	$31,999	$25,599	17.01	17.19	$12,800	$32,501	$0	34.20	101.57%	**	
GARFIELD	BLACKFOOT ELEM	4	0.00	$31,999	$25,599	32.74	6.95	$12,800	$27,851	$1,071	39.69	87.04%		
GARFIELD	COHAGEN ELEM	23	0.00	$98,449	$78,760	31.00	4.13	$39,380	$82,118	$3,158	35.13	83.41%	**	
GARFIELD	GARFIELD CO H S	111	20.57	$752,410	$603,258	21.49	0.00	$381,607	$557,615	$22,821	0.92	74.11%		
GARFIELD	JORDAN ELEM	152	27.25	$737,937	$592,456	34.08	0.00	$410,036	$525,774	$33,341	6.83	71.25%		
GARFIELD	KESTER ELEM	4	0.00	$31,999	$25,599	12.21	74.30	$13,195	$39,418	$0	66.51	123.19%	**	
GARFIELD	PINE GROVE ELEM	6	9.95	$38,997	$31,198	42.18	0.00	$21,880	$28,458	$1,370	32.23	72.98%		
GARFIELD	ROSS ELEM	1	0.00	$21,500	$17,200	37.63	133.22	$11,141	$27,750	$0	170.85	129.07%		
GARFIELD	SAND SPRINGS EL	4	0.00	$31,999	$25,599	23.22	10.34	$12,800	$29,792	$1,146	33.56	93.10%		
GARFIELD	VAN NORMAN ELEM	19	5.87	$84,466	$67,573	42.35	0.00	$40,960	$59,826	$3,873	36.48	70.83%		
GLACIER	BROWNING ELEM	1,493	22.05	$6,044,535	$4,892,139	0.00	0.00	$2,542,395	$10,000,000	$0	-22.05	165.44%		
GLACIER	BROWNING H S	426	12.92	$2,332,585	$1,876,472	0.00	0.00	$955,971	$4,000,000	$0	-12.92	171.48%	**	
GLACIER	CUT BANK ELEM	707	22.91	$2,892,614	$2,334,556	19.95	8.58	$1,326,150	$2,875,021	$110,578	5.62	99.39%		
GLACIER	CUT BANK H S	299	26.34	$1,686,261	$1,354,006	1.72	1.81	$697,375	$1,875,897	$0	-22.82	111.25%		
GLACIER	E GLACIER PARK ELEM	71	43.54	$274,755	$220,610	15.06	9.44	$122,746	$354,003	$0	-19.04	128.84%	**	
GLACIER	MOUNTAIN VIEW ELEMENTA	24	22.93	$101,945	$81,556	44.73	0.00	$65,115	$78,156	$3,006	21.80	76.67%		
GOLDEN VALLEY	LAVINA ELEM	79	36.95	$380,472	$306,649	37.05	0.00	$188,280	$265,576	$20,537	0.10	69.80%		
GOLDEN VALLEY	LAVINA H S	25	29.49	$328,110	$263,151	20.78	0.00	$176,888	$227,690	$17,731	-8.71	69.39%		
GOLDEN VALLEY	RYEGATE ELEM	58	29.68	$278,936	$224,622	24.78	21.50	$114,821	$298,667	$0	16.61	107.07%		
GOLDEN VALLEY	RYEGATE H S	27	35.67	$332,125	$265,700	27.17	14.55	$148,138	$315,782	$12,145	6.04	95.08%		
GRANITE	DRUMMOND ELEM	131	17.27	$602,073	$484,050	37.89	5.62	$274,460	$502,657	$19,383	26.24	83.49%		
GRANITE	DRUMMOND H S	103	3.78	$710,172	$569,069	12.00	0.00	$335,270	$524,540	$22,265	8.22	73.86%		
GRANITE	GRANITE H S	73	25.65	$592,254	$477,929	21.26	19.67	$326,215	$542,158	$20,852	15.29	91.54%		
GRANITE	HALL ELEM	16	8.14	$73,976	$59,181	0.00	47.82	$29,590	$120,570	$0	39.68	162.99%	**	
GRANITE	PHILIPSBURG EL	210	36.78	$931,059	$750,045	34.45	0.00	$488,115	$713,538	$27,444	-2.33	76.64%		
HILL	BLUE SKY ELEM	144	26.60	$607,884	$487,782	42.61	12.76	$255,435	$537,601	$20,677	28.77	88.44%		
HILL	BLUE SKY HIGH	37	45.22	$380,967	$304,774	13.87	43.40	$161,947	$474,274	$0	12.05	124.49%		
HILL	BOX ELDER ELEM	162	49.05	$706,522	$570,129	55.85	0.00	$499,626	$947,853	$0	6.80	134.16%		
HILL	BOX ELDER H S	62	35.31	$502,855	$402,284	32.52	0.00	$364,952	$611,566	$0	-2.79	121.62%	**	
HILL	COTTONWOOD ELEM	32	9.92	$145,906	$116,566	0.00	31.52	$62,421	$250,000	$0	21.60	171.34%	**	
HILL	DAVEY ELEM	13	0.00	$67,833	$54,766	0.00	0.00	$28,236	$48,935	$2,915	0.00	72.14%		
HILL	GILDFORD COLONY ELEM	9	35.04	$52,600	$42,436	47.16	0.13	$32,306	$42,455	$1,633	12.25	80.71%		
HILL	HAVRE ELEM	1,794	30.76	$7,201,986	$5,817,451	44.40	7.40	$4,370,178	$5,944,924	$228,651	21.04	82.55%		
HILL	HAVRE H S	799	1.00	$4,161,526	$3,352,897	15.00	0.00	$2,158,365	$3,043,051	$154,923	14.00	73.12%		
HILL	K-G ELEM	95	24.44	$428,332	$344,065	42.97	28.68	$174,418	$429,660	$0	47.20	100.31%		
HILL	K-G HIGH SCHOOL	34	46.41	$366,320	$293,056	17.74	36.17	$165,719	$413,746	$0	7.50	112.95%		
HILL	ROCKY BOY ELEM	371	41.45	$1,527,181	$1,230,393	13.69	0.00	$769,729	$1,626,585	$0	-27.76	119.61%		
HILL	ROCKY BOY H S	91	32.18	$674,348	$542,987	0.00	0.00	$277,473	$823,975	$0	-32.18	122.19%	**	
JEFFERSON	BASIN ELEM	17	0.00	$77,473	$61,976	0.00	0.00	$30,989	$64,501	$2,481	0.00	83.26%	**	
JEFFERSON	BOULDER ELEM	233	74.53	$1,035,316	$836,507	52.43	20.04	$637,856	$896,260	$34,472	-2.06	86.57%		
JEFFERSON	CARDWELL ELEM	50	3.89	$201,881	$162,555	14.40	0.00	$83,067	$156,110	$6,004	10.51	77.33%		

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SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
JEFFERSON	CLANCY ELEM	400	42.35	$1,616,949	$1,297,067	48.99	0.00	$772,872	$1,267,284	$48,742	6.64	78.37%	
JEFFERSON	JEFFERSON H S	252	15.79	$1,471,080	$1,162,857	22.53	0.00	$635,859	$1,084,428	$49,215	6.74	73.72%	
JEFFERSON	MONTANA CITY ELEM	242	104.05	$978,160	$783,909	47.97	22.30	$566,514	$852,057	$32,771	-33.78	87.11%	
JEFFERSON	WHITEHALL ELEM	385	26.91	$1,570,894	$1,260,881	40.54	0.00	$926,736	$1,143,809	$58,536	13.63	72.81%	
JEFFERSON	WHITEHALL H S	171	5.36	$1,062,772	$853,914	19.57	0.00	$522,087	$792,301	$30,807	14.19	74.55%	
JUDITH BASIN	GEYSER ELEM	76	33.46	$377,707	$303,388	41.39	9.95	$199,117	$317,878	$12,226	17.87	84.16%	
JUDITH BASIN	GEYSER H S	33	21.93	$365,503	$292,870	23.66	2.25	$203,594	$297,393	$11,438	3.98	81.37%	
JUDITH BASIN	HOBSON ELEM	102	39.70	$481,735	$386,761	49.29	11.95	$196,274	$425,558	$16,368	21.53	88.34%	
JUDITH BASIN	HOBSON H S	45	39.70	$423,975	$339,637	28.20	25.97	$222,760	$423,975	$15,092	14.47	100.00%	
JUDITH BASIN	RAYNESFORD ELEM	14	18.41	$68,533	$55,005	26.13	51.36	$27,807	$83,385	$0	59.08	121.67%	
JUDITH BASIN	STANFORD ELEM	119	14.56	$518,992	$415,931	43.82	19.00	$211,533	$481,911	$18,535	48.26	92.86%	
JUDITH BASIN	STANFORD H S	64	18.77	$512,592	$410,074	26.03	5.42	$275,558	$428,907	$16,496	12.68	83.67%	
LAKE	ARLEE ELEM	287	40.90	$1,220,137	$984,084	40.02	21.87	$764,177	$1,188,410	$45,706	20.98	97.40%	
LAKE	ARLEE H S	137	19.61	$893,414	$717,811	18.89	0.00	$533,514	$867,077	$33,349	-0.72	97.05%	
LAKE	CHARLO ELEM	196	26.51	$821,133	$659,162	48.45	51.59	$544,712	$740,897	$28,496	73.53	90.23%	
LAKE	CHARLO H S	98	32.08	$697,175	$559,966	22.90	0.00	$434,857	$514,256	$22,855	-9.18	73.76%	
LAKE	POLSON ELEM	1,089	29.05	$4,434,984	$3,579,311	41.71	0.00	$2,461,255	$3,285,014	$147,149	12.66	74.07%	
LAKE	POLSON H S	459	15.52	$2,488,594	$2,001,464	22.48	0.00	$1,290,006	$1,792,595	$104,434	6.96	72.03%	
LAKE	RONAN ELEM	1,144	19.62	$4,660,996	$3,769,740	30.49	0.00	$2,737,894	$4,137,969	$159,153	10.87	88.78%	
LAKE	RONAN H S	420	12.36	$2,288,990	$1,839,818	17.04	0.00	$1,309,668	$1,963,731	$75,528	4.68	85.79%	
LAKE	ST IGNATIUS ELEM	409	11.83	$1,673,700	$1,345,334	16.40	0.00	$839,561	$1,653,971	$83,814	4.57	98.82%	
LAKE	ST IGNATIUS H S	181	21.12	$1,110,760	$892,289	19.18	0.00	$672,783	$1,187,748	$0	-1.94	106.93%	
LAKE	SWAN LAKE-SALMON ELEM	21	21.64	$91,458	$73,166	39.98	0.00	$36,583	$67,918	$2,624	18.34	74.26%	
LAKE	UPPER WEST SHORE ELEM	25	0.00	$105,440	$84,352	8.91	0.00	$42,176	$69,451	$7,451	8.91	65.87%	
LAKE	VALLEY VIEW ELEM	20	0.00	$87,962	$70,370	38.19	0.00	$47,961	$60,299	$5,035	38.19	68.55%	
LEWIS & CLARK	AUCHARD CRK ELEM	21	0.00	$91,458	$73,166	18.36	0.00	$44,205	$56,541	$8,313	18.36	61.82%	
LEWIS & CLARK	AUGUSTA ELEM	96	53.61	$409,345	$327,476	45.69	42.10	$189,373	$421,448	$0	34.18	102.96%	
LEWIS & CLARK	AUGUSTA H S	46	23.44	$451,723	$364,466	20.62	0.44	$247,203	$365,552	$14,060	-2.37	80.92%	**
LEWIS & CLARK	CRAIG ELEM	6	11.89	$38,997	$31,198	8.57	6.59	$15,599	$39,707	$0	3.27	101.82%	
LEWIS & CLARK	E HELENA ELEM	1,043	40.38	$4,062,913	$3,262,779	48.52	0.00	$2,563,584	$3,053,229	$117,432	8.14	75.15%	
LEWIS & CLARK	HELENA ELEM	5,298	75.72	$20,851,989	$16,855,753	52.92	20.96	$13,633,289	$17,819,017	$685,347	-1.84	85.45%	
LEWIS & CLARK	HELENA H S	2,644	53.98	$13,215,434	$10,682,460	29.38	17.89	$8,243,541	$11,809,101	$454,196	-6.72	89.36%	
LEWIS & CLARK	KESSLER ELEM	300	30.05	$1,092,956	$878,268	43.40	0.00	$616,040	$822,811	$31,647	13.35	75.28%	
LEWIS & CLARK	LINCOLN ELEM	164	39.10	$720,882	$581,361	41.06	0.00	$420,737	$531,288	$25,037	1.96	73.70%	
LEWIS & CLARK	LINCOLN HIGH SCHOOL	51	32.56	$449,263	$359,410	27.15	0.00	$276,635	$344,183	$13,238	-5.41	76.61%	
LEWIS & CLARK	TRINITY ELEM	8	0.00	$45,994	$36,796	0.66	8.01	$18,398	$50,686	$0	8.67	110.20%	**
LEWIS & CLARK	WOLF CREEK ELEM	15	8.64	$70,479	$56,383	3.62	0.00	$28,192	$51,671	$2,356	-5.02	73.31%	
LIBERTY	CHESTER ELEM	229	4.74	$968,695	$781,456	29.32	8.93	$401,807	$841,690	$32,373	33.52	86.89%	
LIBERTY	CHESTER H S	100	14.35	$687,525	$550,020	4.85	20.21	$279,721	$697,978	$0	10.71	101.52%	
LIBERTY	J-I ELEM	107	31.13	$511,161	$410,900	12.42	69.02	$208,810	$686,197	$0	50.31	134.24%	**
LIBERTY	J-I HIGH SCHOOL	47	43.33	$436,889	$350,332	16.82	43.50	$197,607	$523,848	$0	16.99	119.90%	**
LIBERTY	LIBERTY ELEM SCHOOL	59	36.23	$224,158	$179,326	0.00	0.00	$83,724	$83,724	$47,801	-36.23	37.35%	
LIBERTY	WHITLASH ELEM	7	0.00	$46,483	$37,645	6.01	1.88	$19,604	$38,392	$1,477	7.89	82.59%	
LINCOLN	EUREKA ELEM	528	29.87	$2,278,718	$1,845,245	47.27	0.00	$1,460,774	$1,793,277	$58,972	17.40	78.70%	
LINCOLN	FORTINE ELEM	65	8.80	$322,994	$259,340	35.77	0.00	$154,694	$244,197	$9,392	26.97	75.60%	
LINCOLN	LIBBY ELEM	1,485	57.71	$6,064,810	$4,905,467	43.42	3.27	$3,711,737	$5,176,248	$199,086	-11.02	85.35%	
LINCOLN	LIBBY H S	617	39.59	$3,274,334	$2,636,268	23.18	3.69	$1,937,767	$2,935,752	$112,914	-12.71	89.66%	
LINCOLN	LINCOLN CO H S	305	14.84	$1,723,380	$1,384,692	21.37	0.00	$994,779	$1,216,477	$84,107	6.53	70.59%	
LINCOLN	MCCORMICK ELEM	21	0.00	$91,458	$73,166	23.41	0.00	$43,765	$64,389	$4,389	23.41	70.40%	
LINCOLN	SYLVANITE ELEM	15	36.81	$70,479	$56,383	49.10	0.00	$42,099	$54,413	$2,093	12.29	77.20%	
LINCOLN	TREGO ELEM	86	14.18	$318,269	$254,615	29.72	0.00	$166,511	$223,576	$15,520	15.54	70.25%	
LINCOLN	TROY ELEM	466	44.95	$2,056,968	$1,664,831	49.05	0.00	$1,216,626	$1,669,562	$64,214	4.10	81.17%	
LINCOLN	TROY H S	236	25.78	$1,385,906	$1,113,714	25.09	0.00	$797,618	$1,062,337	$40,859	-0.69	76.65%	
LINCOLN	YAAK ELEM	24	21.81	$101,945	$81,556	34.64	0.00	$54,903	$71,173	$5,191	12.83	69.82%	
MADISON	ALDER ELEM	24	18.75	$101,945	$81,556	46.00	2.74	$40,778	$83,689	$3,219	29.99	82.09%	

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COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
ADISON	ENNIS ELEM	260	20.07	$1,082,834	$869,658	30.06	4.11	$440,610	$915,487	$35,211	14.10	84.55%	
ADISON	ENNIS H S	97	13.29	$687,604	$551,949	17.17	12.17	$278,883	$687,604	$17,202	16.05	100.00%	
ADISON	HARRISON ELEM	95	16.75	$424,267	$339,582	37.51	0.00	$209,173	$306,527	$16,527	20.76	72.25%	
ADISON	HARRISON H S	44	19.38	$420,831	$337,321	21.16	0.00	$238,099	$302,977	$17,172	1.78	71.99%	
ADISON	SHERIDAN ELEM	198	0.38	$832,834	$667,264	30.80	0.00	$441,347	$586,709	$40,277	30.42	70.45%	
ADISON	SHERIDAN H S	93	14.08	$673,581	$541,168	23.93	0.00	$395,145	$524,829	$20,186	9.85	77.92%	
ADISON	TWIN BRIDGES ELEM	145	24.33	$649,130	$523,008	40.52	24.29	$280,958	$620,880	$23,880	40.48	95.65%	
ADISON	TWIN BRIDGES H S	80	23.16	$595,830	$477,286	21.61	22.22	$307,440	$566,800	$21,800	20.66	95.13%	
CCONE	CIRCLE ELEM	204	9.10	$947,702	$765,913	22.16	24.07	$443,069	$866,803	$33,339	37.13	91.46%	
CCONE	CIRCLE H S	129	11.26	$859,628	$691,344	17.10	8.18	$392,864	$755,464	$29,056	14.02	87.88%	
CCONE	PRAIRIE ELK ELEM	5	0.00	$35,498	$28,398	12.58	2.20	$14,199	$30,285	$1,165	14.78	85.31%	**
CCONE	SOUTHVIEW ELEM	7	15.67	$42,496	$33,997	24.63	5.82	$16,998	$37,711	$1,450	14.78	88.74%	
CCONE	VIDA ELEM	19	5.85	$84,466	$67,573	6.90	8.23	$33,786	$85,292	$0	9.28	100.98%	
EAGHER	LENNEP ELEM	14	1.68	$56,982	$53,585	5.25	0.00	$26,793	$39,639	$6,973	3.57	59.18%	
EAGHER	RINGLING ELEM	5	7.35	$35,498	$28,398	8.04	5.39	$14,199	$37,317	$0	6.08	105.12%	
EAGHER	WHT SULPHUR SPGS ELEM	187	62.37	$799,627	$642,054	47.34	33.68	$379,622	$785,350	$30,206	18.65	98.21%	
EAGHER	WHT SULPHUR SPGS HS	99	20.56	$692,165	$554,824	27.06	8.81	$283,533	$626,679	$24,103	15.32	90.54%	
INERAL	ALBERTON ELEM	155	73.79	$682,363	$545,890	45.21	35.74	$397,027	$614,219	$23,624	7.16	90.01%	
INERAL	ALBERTON H S	70	64.02	$541,793	$433,434	26.07	17.16	$339,404	$464,794	$17,877	-20.80	85.79%	
INERAL	ST REGIS ELEM	162	54.86	$707,842	$570,463	42.10	5.11	$359,040	$600,606	$23,100	-7.65	84.85%	
INERAL	ST REGIS H S	71	47.40	$552,224	$442,419	22.08	5.06	$296,786	$472,957	$18,191	-20.26	85.65%	
INERAL	SUPERIOR ELEM	336	83.72	$1,430,399	$1,153,679	49.56	0.00	$681,096	$1,146,747	$44,106	-34.16	80.17%	
INERAL	SUPERIOR H S	136	40.18	$861,810	$689,448	27.71	0.00	$529,368	$679,532	$26,136	-12.47	78.85%	
ISSOULA	BONNER ELEM	429	64.73	$1,804,674	$1,458,781	54.43	9.74	$1,058,649	$1,521,388	$58,515	-0.56	84.30%	
ISSOULA	CLINTON ELEM	255	67.10	$1,097,873	$885,801	51.12	0.00	$702,074	$861,119	$33,120	-15.98	78.44%	
ISSOULA	DESMET SCHOOL	138	43.85	$595,370	$478,868	47.65	0.00	$322,266	$442,983	$17,942	3.80	74.40%	
ISSOULA	FRENCHTOWN ELEM	652	16.55	$2,624,011	$2,110,847	39.89	0.00	$1,117,150	$2,024,201	$77,854	23.34	77.14%	
ISSOULA	FRENCHTOWN H S	289	23.39	$1,614,113	$1,293,455	20.36	10.29	$706,887	$1,464,418	$56,324	7.26	90.73%	
ISSOULA	HELLGATE ELEM	993	41.87	$3,979,574	$3,212,463	43.95	0.00	$2,336,059	$2,898,454	$157,005	2.08	72.83%	
ISSOULA	LOLO ELEM	629	61.61	$2,526,208	$2,032,148	56.15	15.32	$1,800,343	$2,083,916	$80,151	9.86	82.49%	
ISSOULA	MISSOULA ELEM	6,002	65.78	$23,685,672	$19,176,777	54.41	17.78	$14,834,353	$20,379,736	$783,836	6.41	86.04%	
ISSOULA	MISSOULA H S	3,600	42.81	$16,015,816	$14,580,096	29.97	13.32	$10,747,565	$15,963,551	$614,752	0.48	88.72%	
ISSOULA	POTOMAC ELEM	111	38.33	$484,654	$387,723	48.94	53.32	$308,840	$436,787	$16,876	63.93	90.54%	
ISSOULA	SEELEY LAKE ELEM	230	39.62	$928,731	$742,985	43.54	0.00	$518,655	$693,573	$26,676	3.92	74.68%	
ISSOULA	SUNSET ELEM	14	32.52	$74,453	$60,422	25.83	0.00	$33,322	$50,062	$5,180	-6.69	67.24%	
ISSOULA	SWAN VALLEY ELEM	78	0.00	$342,818	$274,254	34.10	60.48	$180,413	$338,960	$13,037	94.58	98.87%	
ISSOULA	TARGET RANGE ELEM	512	39.84	$2,177,911	$1,758,122	45.06	0.00	$1,303,289	$1,613,276	$72,423	5.22	74.07%	
ISSOULA	WOODMAN ELEM	68	0.00	$337,209	$269,767	32.57	78.31	$183,264	$333,626	$12,832	110.68	98.94%	**
USSELSHELL	MELSTONE ELEM	65	0.00	$364,259	$293,507	22.20	42.57	$182,652	$335,494	$12,904	64.76	92.10%	
USSELSHELL	MELSTONE H S	42	0.00	$405,370	$324,296	18.80	80.27	$235,511	$403,476	$15,518	99.07	99.53%	
USSELSHELL	MUSSELSHELL ELEM	20	0.00	$91,622	$73,718	0.00	17.91	$37,577	$96,709	$0	17.91	105.55%	
USSELSHELL	ROUNDUP ELEM	436	42.50	$1,873,390	$1,514,119	53.94	2.75	$1,183,084	$1,526,038	$58,771	14.20	81.57%	
USSELSHELL	ROUNDUP H S	226	21.61	$1,373,818	$1,108,157	16.77	0.00	$744,505	$945,474	$61,341	-4.84	68.82%	
ARK	ARROWHEAD ELEM	53	8.02	$203,224	$162,580	30.03	3.96	$81,290	$170,344	$6,552	25.99	83.82%	
ARK	COOKE CITY ELEM	9	9.81	$49,493	$39,594	19.85	0.00	$19,797	$34,554	$2,520	10.04	69.82%	
ARK	GARDINER ELEM	198	36.05	$864,944	$696,378	42.87	0.00	$444,023	$727,605	$27,985	6.82	84.12%	
ARK	GARDINER H S	83	22.00	$614,688	$492,865	18.33	0.00	$302,094	$650,827	$0	-3.67	105.88%	**
ARK	LIVINGSTON ELEM	1,075	53.70	$4,526,867	$3,666,678	50.85	0.42	$2,803,682	$3,671,946	$141,229	-2.42	81.11%	
ARK	PARK H S	519	28.50	$2,897,871	$2,343,832	21.64	0.00	$1,595,582	$2,176,187	$83,822	-6.86	75.10%	
ARK	PINE CREEK ELEM	26	3.83	$108,935	$87,148	31.56	0.00	$46,728	$70,879	$8,134	27.75	65.07%	
ARK	RICHLAND ELEM	11	0.00	$56,489	$45,191	10.45	6.81	$22,596	$50,536	$1,944	17.26	89.46%	**
ARK	SPRINGDALE ELEM	10	11.85	$52,991	$42,393	10.34	0.00	$21,196	$37,774	$2,309	-1.51	71.28%	
ARK	SHIELDS VALLEY HIGH SCH	97	22.20	$693,358	$557,031	19.17	19.71	$375,111	$624,958	$24,037	16.68	90.13%	
ARK	SHIELDS VLY ELEM SCH DIS	222	0.00	$944,895	$760,543	39.59	0.00	$490,067	$750,484	$28,865	39.59	79.43%	
ETROLEUM	WINNETT ELEM	65	45.80	$324,126	$259,682	25.33	52.15	$136,068	$359,020	$0	31.68	110.77%	

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AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
PETROLEUM	WINNETT H S	30	15.75	$362,997	$292,263	13.69	42.19	$182,246	$372,628	$0	40.13	102.65%	**
PHILLIPS	DODSON ELEM	90	16.96	$436,067	$352,115	25.28	56.89	$215,523	$484,938	$0	65.20	111.21%	**
PHILLIPS	DODSON H S	49	23.00	$439,512	$351,610	15.23	31.20	$192,236	$483,336	$0	23.43	109.97%	
PHILLIPS	LANDUSKY ELEM	9	3.00	$49,493	$39,594	5.05	0.00	$19,797	$35,406	$2,093	2.05	71.54%	
PHILLIPS	MALTA ELEM	461	41.69	$1,919,188	$1,543,963	44.30	15.34	$988,991	$1,672,117	$64,312	17.96	87.13%	
PHILLIPS	MALTA H S	230	16.81	$1,361,359	$1,094,554	25.72	0.00	$735,726	$1,091,890	$41,996	8.91	80.21%	
PHILLIPS	SACO ELEM	95	18.99	$459,063	$370,658	0.00	41.19	$191,137	$551,185	$0	22.20	120.07%	
PHILLIPS	SACO H S	44	18.97	$415,127	$332,102	0.00	46.98	$166,051	$537,638	$0	30.01	129.51%	
PHILLIPS	SECOND CRK ELEM	6	2.72	$43,036	$34,894	17.37	3.62	$18,239	$37,299	$1,435	18.26	86.67%	
PHILLIPS	WHITEWATER ELEM	55	28.44	$296,864	$238,241	0.00	31.86	$120,398	$446,224	$0	3.42	150.31%	
PHILLIPS	WHITEWATER H S	37	13.20	$387,483	$310,736	0.00	13.96	$156,646	$415,489	$0	0.76	107.23%	
PONDERA	BRADY ELEM	61	49.63	$335,527	$270,333	33.01	37.04	$138,424	$385,937	$0	20.42	115.02%	
PONDERA	BRADY H S	36	17.98	$376,085	$300,868	27.72	0.00	$189,659	$291,651	$11,217	9.74	77.55%	
PONDERA	CONRAD ELEM	578	40.23	$2,368,721	$1,911,219	35.85	16.94	$1,271,213	$2,062,320	$79,320	12.56	87.06%	
PONDERA	CONRAD H S	247	29.41	$1,455,511	$1,171,357	16.24	12.16	$763,429	$1,271,207	$48,893	1.00	87.34%	
PONDERA	DUPUYER ELEM	27	42.08	$115,785	$93,014	49.06	16.82	$49,752	$105,279	$4,049	23.80	90.93%	
PONDERA	HEART BUTTE	50	35.69	$446,340	$357,296	6.20	493.64	$212,075	$690,096	$0	464.15	154.61%	**
PONDERA	HEART BUTTE ELEM	196	35.08	$849,761	$684,840	26.34	0.00	$499,898	$1,074,773	$0	-8.74	126.48%	
PONDERA	MIAMI ELEM	21	5.30	$93,120	$74,687	41.40	7.15	$46,816	$77,621	$2,985	43.25	83.36%	**
PONDERA	VALIER ELEM	206	32.84	$909,033	$731,896	43.52	0.00	$514,097	$695,319	$26,743	10.68	76.49%	
PONDERA	VALIER H S	79	32.92	$585,560	$466,448	27.70	13.03	$329,715	$515,554	$19,829	7.81	88.04%	
POWDER RIVER	BELLE CREEK EL	10	0.00	$52,991	$42,393	0.00	8.04	$21,196	$122,000	$0	8.04	230.23%	**
POWDER RIVER	BIDDLE ELEM	20	1.69	$87,962	$70,370	41.64	14.73	$38,599	$78,003	$3,000	54.68	88.66%	
POWDER RIVER	BILLUP ELEM	5	0.00	$35,498	$28,398	34.25	27.08	$14,637	$34,611	$1,331	61.33	97.50%	
POWDER RIVER	BROADUS ELEM	210	79.86	$939,370	$758,693	33.80	54.41	$491,025	$939,370	$24,272	8.35	100.00%	
POWDER RIVER	HORKAN CRK ELEM	6	0.00	$38,997	$31,198	41.94	0.88	$18,673	$31,366	$1,206	42.82	80.43%	
POWDER RIVER	POWDER RVR CO DIST HS	136	39.97	$884,457	$710,171	0.22	56.53	$360,434	$1,075,326	$0	16.78	121.58%	
POWDER RIVER	SO STACEY ELEM	8	0.00	$45,994	$36,796	31.58	0.00	$21,868	$33,774	$1,511	31.58	73.43%	**
POWELL	AVON ELEM	46	10.39	$178,793	$143,034	16.77	0.00	$71,517	$106,381	$18,327	8.38	59.50%	
POWELL	DEER LODGE ELEM	658	81.11	$2,805,977	$2,277,997	38.52	30.52	$1,649,030	$2,482,239	$95,471	-12.08	88.46%	
POWELL	ELLISTON ELEM	35	24.10	$140,381	$112,305	30.90	0.00	$62,444	$88,463	$11,921	6.80	63.02%	
POWELL	GARRISON ELEM	16	0.00	$73,976	$59,181	4.56	0.00	$29,590	$57,035	$2,194	4.56	77.10%	
POWELL	GOLD CREEK ELEM	11	0.00	$56,489	$45,191	4.35	0.00	$22,596	$45,334	$1,744	4.35	80.25%	**
POWELL	HELMVILLE ELEM	23	10.53	$98,449	$78,760	32.93	0.00	$39,380	$75,550	$2,906	22.40	76.74%	
POWELL	OVANDO ELEM	21	18.93	$91,456	$73,166	45.39	6.65	$36,583	$77,656	$2,987	33.11	84.91%	
POWELL	POWELL CO H S	298	36.60	$1,718,114	$1,383,698	21.68	10.11	$871,590	$1,513,292	$58,204	-4.81	88.06%	
PRAIRIE	TERRY ELEM	170	6.99	$733,549	$586,437	28.21	22.29	$314,095	$685,724	$26,374	43.51	93.48%	**
PRAIRIE	TERRY H S	92	12.34	$659,500	$528,841	18.40	12.64	$331,775	$584,031	$22,463	18.71	88.56%	**
RAVALLI	CORVALLIS ELEM	730	42.13	$3,096,771	$2,504,473	44.03	0.00	$1,993,805	$2,295,209	$104,632	1.90	74.12%	
RAVALLI	CORVALLIS H S	337	15.92	$1,878,106	$1,508,824	18.56	0.00	$1,092,725	$1,235,201	$136,812	2.64	65.77%	
RAVALLI	DARBY ELEM	397	42.97	$1,757,948	$1,423,803	42.33	0.00	$1,040,891	$1,295,350	$64,226	-0.64	73.69%	
RAVALLI	DARBY H S	188	17.14	$1,142,561	$917,517	20.71	0.00	$652,874	$794,816	$61,351	3.57	69.56%	
RAVALLI	FLORENCE-CARLTON ELEM	533	31.74	$2,063,060	$1,650,448	42.53	0.00	$1,271,982	$1,513,200	$68,624	10.79	73.35%	
RAVALLI	FLORENCE-CARLTON HS	196	20.22	$1,270,355	$1,030,031	20.53	0.00	$769,462	$899,421	$65,305	0.31	70.80%	
RAVALLI	HAMILTON ELEM	947	30.25	$3,808,994	$3,067,303	26.90	0.00	$1,967,666	$2,815,832	$125,735	-3.35	73.93%	
RAVALLI	HAMILTON H S	460	18.72	$2,497,385	$2,008,970	13.22	0.00	$1,274,469	$1,728,966	$140,002	-5.50	69.23%	
RAVALLI	LONE ROCK ELEM	166	33.76	$645,636	$522,188	50.77	3.80	$414,059	$527,755	$20,298	20.80	81.74%	
RAVALLI	STEVENSVILLE EL	824	26.60	$3,364,656	$2,706,322	37.58	0.00	$2,029,544	$2,461,046	$122,638	10.98	73.14%	
RAVALLI	STEVENSVILLE HS	410	10.45	$2,295,438	$1,851,116	15.83	0.00	$1,272,981	$1,574,027	$138,545	5.38	68.57%	
RAVALLI	VICTOR ELEM	205	35.78	$853,209	$685,408	40.21	0.00	$468,943	$635,162	$25,123	4.43	74.44%	
RAVALLI	VICTOR H S	86	12.89	$642,544	$516,678	23.95	0.00	$380,434	$495,909	$19,073	11.06	77.18%	
RICHLAND	BRORSON ELEM	8	0.00	$45,994	$36,796	0.00	16.65	$18,398	$75,420	$0	16.65	163.98%	**
RICHLAND	FAIRVIEW ELEM	184	12.00	$794,917	$639,409	0.00	54.01	$325,629	$914,987	$0	42.01	115.10%	
RICHLAND	FAIRVIEW H S	155	0.00	$980,947	$787,911	0.00	35.75	$399,331	$1,100,582	$0	35.75	112.20%	
RICHLAND	LAMBERT ELEM	82	51.87	$385,998	$309,426	0.00	100.34	$155,784	$540,205	$0	48.47	139.95%	**

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SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	G15 MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
RICHLAND	LAMBERT H S	43	49.49	$412,069	$329,865	6.79	82.22	$186,584	$480,152	$0	39.52	116.52%	**
RICHLAND	RAU ELEM	57	3.58	$217,181	$173,745	11.06	50.05	$90,703	$230,576	$0	57.53	106.17%	
RICHLAND	SAVAGE ELEM	137	10.60	$597,049	$478,572	33.42	0.00	$328,455	$454,426	$17,478	22.82	76.11%	
RICHLAND	SAVAGE H S	34	41.17	$366,320	$293,056	9.02	50.59	$170,060	$384,567	$0	18.44	104.98%	
RICHLAND	SIDNEY ELEM	1,071	30.80	$4,398,778	$3,550,257	21.97	45.50	$2,217,520	$4,060,679	$156,949	36.66	92.77%	
RICHLAND	SIDNEY H S	516	18.75	$2,764,992	$2,223,845	10.55	15.11	$1,330,406	$2,437,359	$93,745	6.91	88.15%	
ROOSEVELT	BAINVILLE ELEM	81	0.00	$388,927	$312,022	0.00	18.81	$157,512	$533,804	$0	18.81	137.25%	**
ROOSEVELT	BAINVILLE H S	33	0.00	$365,226	$292,617	0.00	18.40	$147,051	$487,215	$0	18.40	133.40%	**
ROOSEVELT	BROCKTON ELEM	84	53.26	$417,311	$337,814	39.62	9.34	$267,549	$656,301	$0	-4.30	157.27%	
ROOSEVELT	BROCKTON H S	50	39.53	$455,093	$365,306	22.03	0.00	$294,331	$626,594	$0	-17.50	137.68%	
ROOSEVELT	CULBERTSON ELEM	228	30.90	$924,252	$741,424	35.85	23.16	$439,557	$924,252	$14,848	28.10	100.00%	
ROOSEVELT	CULBERTSON H S	102	25.84	$714,152	$573,269	18.25	8.41	$377,680	$614,707	$23,643	0.82	86.07%	
ROOSEVELT	FROID ELEM	89	47.61	$411,625	$329,300	25.81	47.37	$187,292	$420,788	$0	25.57	102.23%	
ROOSEVELT	FROID H S	39	23.76	$401,732	$322,651	17.40	34.25	$213,382	$388,809	$14,954	27.89	96.78%	
ROOSEVELT	FRONTIER ELEM	140	0.00	$617,053	$497,656	7.19	46.03	$268,650	$604,569	$23,253	53.22	97.98%	
ROOSEVELT	POPLAR ELEM	683	0.00	$2,829,826	$2,297,148	0.00	146.13	$1,205,309	$3,952,000	$0	146.13	139.66%	**
ROOSEVELT	POPLAR H S	196	25.96	$1,150,845	$920,676	0.00	98.29	$460,338	$2,400,000	$0	72.33	208.54%	**
ROOSEVELT	WOLF POINT ELEM	735	10.86	$3,034,655	$2,455,154	31.95	0.00	$1,764,843	$2,851,470	$109,672	21.09	93.96%	
ROOSEVELT	WOLF POINT H S	320	0.00	$1,816,023	$1,461,278	6.95	24.40	$845,752	$1,634,879	$62,860	31.35	90.03%	**
ROSEBUD	ASHLAND ELEM	121	33.91	$559,554	$452,324	39.66	0.00	$321,166	$494,520	$19,020	5.75	88.38%	
ROSEBUD	BIRNEY ELEM	17	18.93	$77,473	$61,978	27.72	19.05	$35,951	$68,640	$2,640	27.84	88.60%	
ROSEBUD	COLSTRIP ELEM	882	3.09	$3,650,681	$2,947,960	0.00	8.76	$1,520,711	$4,796,868	$0	5.67	131.40%	
ROSEBUD	COLSTRIP H S	505	2.50	$2,690,640	$2,161,688	0.00	4.76	$1,096,485	$3,164,049	$0	2.26	117.59%	
ROSEBUD	FORSYTH ELEM	446	40.47	$1,942,022	$1,570,658	39.35	13.57	$1,047,813	$1,685,251	$64,817	12.45	86.78%	
ROSEBUD	FORSYTH H S	237	0.00	$1,394,758	$1,121,263	12.45	0.00	$680,949	$1,930,161	$45,551	12.45	73.86%	
ROSEBUD	LAME DEER ELEM	350	45.44	$1,399,463	$1,126,303	32.05	0.00	$875,458	$2,132,558	$0	-13.39	152.38%	
ROSEBUD	ROCK SPRING ELEM	4	0.00	$31,999	$25,599	9.64	9.26	$12,800	$32,055	$0	18.91	100.18%	
ROSEBUD	ROSEBUD ELEM	83	43.75	$399,752	$321,675	43.79	28.39	$193,341	$379,020	$14,578	28.43	94.81%	
ROSEBUD	ROSEBUD H S	31	24.91	$351,668	$281,334	20.85	11.63	$172,457	$312,922	$12,035	7.56	88.98%	
SANDERS	CAMAS PRAIRIE ELEM	11	0.00	$56,489	$45,191	14.64	0.00	$22,596	$50,806	$1,954	14.64	89.94%	**
SANDERS	DIXON ELEM	53	72.70	$214,074	$172,507	0.00	0.00	$88,381	$347,000	$0	-72.70	162.09%	**
SANDERS	HOT SPRINGS ELEM	139	48.75	$603,379	$484,263	49.46	37.88	$382,112	$548,839	$21,109	36.59	90.96%	
SANDERS	HOT SPRINGS H S	70	20.18	$555,354	$445,844	27.44	10.14	$352,402	$479,584	$18,446	17.40	86.36%	
SANDERS	NOXON ELEM	199	33.27	$851,150	$683,651	44.25	3.51	$346,480	$708,174	$27,237	14.49	83.20%	
SANDERS	NOXON H S	101	11.20	$701,892	$562,608	20.34	0.00	$283,170	$542,066	$20,849	9.14	77.23%	
SANDERS	PARADISE ELEM	68	52.43	$255,544	$204,436	37.52	0.00	$133,654	$173,108	$15,664	-14.91	67.74%	
SANDERS	PLAINS ELEM	331	35.62	$1,414,872	$1,142,503	36.13	0.00	$809,618	$1,048,984	$46,760	0.31	74.14%	
SANDERS	PLAINS H S	189	30.04	$1,141,492	$915,986	20.84	0.00	$659,131	$845,677	$35,155	-9.20	74.09%	
SANDERS	THOMPSON FALLS ELEM	394	45.07	$1,642,645	$1,320,512	47.37	0.00	$905,578	$1,257,576	$48,368	2.30	76.56%	
SANDERS	THOMPSON FALLS H S	219	23.83	$1,292,858	$1,037,933	22.13	0.00	$729,824	$901,902	$68,016	-1.70	69.76%	
SANDERS	TROUT CRK ELEM	99	21.58	$363,530	$290,824	15.72	20.73	$145,412	$396,558	$0	14.86	109.09%	**
SHERIDAN	HIAWATHA ELEM	12	0.00	$59,987	$47,989	0.00	0.00	$23,995	$124,925	$0	0.00	208.25%	**
SHERIDAN	MEDICINE LK EL	143	9.71	$652,626	$525,089	0.00	83.00	$267,640	$820,744	$0	73.29	125.76%	**
SHERIDAN	MEDICINE LK H S	81	10.38	$605,038	$485,153	0.00	30.34	$244,490	$634,613	$0	19.96	104.89%	
SHERIDAN	OUTLOOK ELEM	42	26.45	$245,848	$198,078	0.00	87.55	$101,425	$382,324	$0	61.10	155.51%	**
SHERIDAN	OUTLOOK H S	22	32.99	$307,685	$246,148	3.56	53.03	$130,930	$325,883	$0	23.60	105.91%	
SHERIDAN	PLENTYWOOD ELEM	385	41.39	$1,598,298	$1,286,390	40.36	0.00	$860,939	$1,250,166	$48,083	-1.03	78.22%	
SHERIDAN	PLENTYWOOD H S	155	55.99	$984,028	$790,731	16.24	44.33	$507,682	$1,020,518	$0	4.59	103.71%	
SHERIDAN	WESTBY ELEM	75	15.95	$371,303	$298,729	0.00	46.44	$152,240	$667,322	$0	30.49	179.72%	**
SHERIDAN	WESTBY H S	31	14.22	$360,387	$289,313	0.00	48.80	$146,366	$634,459	$0	34.58	176.05%	
SILVER BOW	BUTTE ELEM	3,710	114.06	$15,251,693	$12,391,585	48.55	68.82	$9,365,297	$15,251,693	$203,063	3.31	100.00%	
SILVER BOW	BUTTE H S	1,610	64.38	$8,544,078	$6,943,264	26.63	33.51	$5,023,574	$8,544,078	$318,830	-4.24	100.00%	
SILVER BOW	DIVIDE ELEM	13	47.60	$63,484	$50,788	49.64	2.89	$25,394	$52,098	$2,004	4.92	82.06%	
SILVER BOW	MELROSE ELEM	18	57.28	$80,969	$64,776	22.87	65.58	$39,376	$80,969	$212	31.17	100.00%	
SILVER BOW	RAMSAY ELEM	158	24.23	$672,960	$541,797	41.42	0.00	$276,743	$528,332	$20,320	17.19	78.51%	

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
STILLWATER	ABSAROKEE ELEM	273	27.52	$1,159,504	$931,540	44.43	6.34	$602,247	$972,512	$37,404	25.25	83.87%	
STILLWATER	ABSAROKEE H S	130	14.63	$865,565	$696,220	22.31	0.00	$425,054	$651,968	$25,076	7.68	75.32%	
STILLWATER	COLUMBUS ELEM	413	44.54	$1,733,893	$1,400,161	43.56	0.00	$1,000,670	$1,303,292	$50,127	-0.98	75.17%	
STILLWATER	COLUMBUS H S	164	22.69	$1,060,828	$856,014	20.77	0.00	$586,812	$759,450	$48,282	-1.92	71.59%	
STILLWATER	FISHTAIL ELEM	36	6.82	$143,874	$115,099	13.46	0.00	$57,550	$100,077	$7,511	6.64	69.56%	
STILLWATER	MOLT ELEM	10	15.52	$52,991	$42,393	0.00	28.50	$21,196	$67,881	$0	12.98	128.10%	**
STILLWATER	NYE ELEM	2	9.30	$25,000	$20,000	9.20	14.26	$10,000	$32,062	$0	14.17	128.25%	
STILLWATER	PARK CITY ELEM	206	6.86	$912,603	$735,162	40.17	16.81	$546,842	$766,695	$29,486	48.12	84.01%	
STILLWATER	PARK CITY H S	111	11.64	$765,332	$615,082	22.65	0.00	$479,586	$590,184	$22,699	11.01	77.11%	
STILLWATER	RAPELJE ELEM	48	23.91	$249,824	$201,247	0.00	55.17	$102,990	$367,441	$0	31.26	147.08%	**
STILLWATER	RAPELJE H S	24	18.05	$329,523	$265,006	19.11	15.95	$146,822	$317,613	$12,216	17.01	96.39%	**
STILLWATER	REEDPOINT ELEM	42	34.19	$269,704	$218,588	33.90	44.91	$130,196	$290,698	$0	44.62	107.78%	
STILLWATER	REEDPOINT H S	28	8.84	$341,635	$273,840	13.35	0.00	$175,895	$231,389	$21,226	4.51	67.73%	
SWEET GRASS	BIG TIMBER ELEM	306	41.09	$1,295,123	$1,043,600	49.62	7.34	$747,815	$1,075,779	$41,376	15.86	83.06%	
SWEET GRASS	BRIDGE ELEM	5	0.00	$35,498	$28,398	41.19	22.17	$21,931	$29,607	$1,139	63.36	83.40%	
SWEET GRASS	GREYCLIFF ELEM	27	0.00	$112,430	$89,944	24.90	0.00	$44,972	$82,924	$3,510	24.90	73.76%	**
SWEET GRASS	MCLEOD ELEM	11	0.00	$56,489	$45,191	17.27	0.45	$22,596	$45,422	$1,747	17.71	80.41%	**
SWEET GRASS	MELVILLE ELEM	18	9.43	$80,969	$64,776	18.82	13.53	$32,388	$81,940	$0	22.92	101.20%	
SWEET GRASS	SWEET GRASS CO HS	205	37.06	$1,219,865	$976,881	29.93	2.44	$691,664	$998,453	$38,402	-4.68	81.85%	
TETON	BYNUM ELEM	61	13.21	$231,134	$184,907	9.18	0.00	$101,435	$124,530	$30,189	-4.03	53.86%	
TETON	CHOTEAU ELEM	333	49.39	$1,405,038	$1,131,616	45.82	0.00	$772,240	$1,064,829	$41,724	-3.57	77.21%	
TETON	CHOTEAU H S	154	51.07	$968,079	$776,692	23.00	30.41	$501,374	$964,883	$0	2.34	101.74%	
TETON	DUTTON ELEM	108	28.55	$483,976	$389,591	35.12	20.52	$196,903	$469,370	$18,053	27.08	96.98%	
TETON	DUTTON H S	46	37.69	$432,471	$346,850	24.05	24.13	$206,081	$440,690	$0	10.49	101.90%	
TETON	FAIRFIELD ELEM	201	35.13	$932,314	$755,313	40.66	25.01	$564,074	$804,820	$30,955	30.54	86.33%	**
TETON	FAIRFIELD H S	140	22.15	$921,123	$741,498	23.59	0.00	$564,320	$718,959	$27,652	1.44	78.05%	
TETON	GOLDEN RIDGE ELEM	24	19.50	$105,673	$84,968	44.90	5.61	$56,457	$87,309	$3,358	31.01	82.62%	
TETON	GREENFIELD ELEM	65	20.92	$311,345	$249,438	41.23	31.55	$180,524	$274,004	$10,539	51.87	88.01%	**
TETON	PENDROY ELEM	9	6.69	$49,493	$39,594	5.13	9.32	$19,797	$49,493	$1,589	7.76	100.00%	
TETON	POWER ELEM	111	59.31	$511,619	$410,997	52.79	17.27	$312,016	$436,789	$16,800	10.75	85.37%	
TETON	POWER H S	61	41.20	$499,604	$399,869	23.76	0.00	$304,749	$364,223	$17,823	-17.44	72.90%	
TOOLE	GALATA ELEM	17	0.00	$77,473	$61,978	0.00	5.80	$30,989	$114,400	$0	5.80	147.66%	**
TOOLE	SHELBY ELEM	525	54.07	$2,154,673	$1,736,132	35.12	34.11	$1,155,434	$1,970,321	$75,782	15.15	91.44%	
TOOLE	SHELBY H S	222	26.03	$1,315,015	$1,056,553	12.72	23.66	$596,693	$1,315,015	$31,955	10.34	100.00%	
TOOLE	SUNBURST ELEM	226	7.02	$983,621	$792,688	15.60	15.86	$420,182	$883,055	$33,964	24.44	89.78%	
TOOLE	SUNBURST H S	98	26.25	$691,996	$555,227	11.66	36.22	$298,223	$800,021	$0	21.63	115.61%	
TREASURE	HYSHAM ELEM	136	24.44	$590,987	$474,650	40.97	4.66	$240,496	$497,876	$19,149	21.19	84.24%	
TREASURE	HYSHAM H S	57	32.82	$494,593	$397,525	27.12	19.25	$226,716	$493,483	$18,980	13.55	99.78%	
VALLEY	FRAZER ELEM	107	43.60	$485,400	$392,327	48.99	0.00	$277,923	$832,240	$0	5.39	171.45%	
VALLEY	FRAZER H S	34	15.69	$366,320	$293,056	30.71	0.00	$154,107	$651,579	$0	15.02	177.90%	**
VALLEY	FT PECK ELEM	22	125.22	$94,954	$75,963	0.00	380.66	$37,982	$255,250	$0	255.64	268.81%	**
VALLEY	GLASGOW ELEM	734	92.22	$2,985,752	$2,401,929	45.21	43.40	$1,637,414	$2,985,752	$34,294	-3.61	100.00%	
VALLEY	GLASGOW H S	285	62.79	$1,634,183	$1,314,009	21.71	39.22	$853,347	$1,752,000	$0	-1.86	107.21%	
VALLEY	HINSDALE ELEM	67	14.60	$326,944	$263,053	10.91	31.44	$134,078	$387,392	$0	27.75	118.49%	
VALLEY	HINSDALE H S	26	12.79	$329,253	$263,634	0.88	36.85	$132,212	$434,979	$0	26.94	132.11%	
VALLEY	LUSTRE ELEM	52	8.67	$213,695	$172,561	0.00	28.05	$89,018	$280,597	$0	19.38	131.31%	
VALLEY	NASHUA ELEM	135	65.32	$634,215	$512,355	51.89	13.26	$379,824	$544,922	$20,959	-0.17	85.92%	
VALLEY	NASHUA H S	73	42.53	$590,678	$476,487	27.43	14.40	$374,328	$515,808	$19,839	-0.70	87.32%	
VALLEY	OPHEIM ELEM	69	38.15	$349,436	$282,502	9.37	64.40	$146,284	$537,258	$0	35.62	153.75%	**
VALLEY	OPHEIM H S	44	32.51	$415,127	$332,102	12.64	46.45	$179,339	$515,861	$0	26.58	124.27%	**
WHEATLAND	HARLOWTON ELEM	211	34.08	$958,434	$772,383	38.97	0.00	$560,486	$718,957	$27,652	4.89	75.01%	
WHEATLAND	HARLOWTON H S	116	26.79	$777,961	$623,853	24.72	7.70	$382,835	$674,394	$25,938	5.63	86.69%	
WHEATLAND	JUDITH GAP ELEM	92	42.01	$419,653	$336,016	54.21	0.76	$224,464	$337,411	$12,977	12.97	80.40%	
WHEATLAND	JUDITH GAP H S	36	46.83	$378,634	$303,200	21.86	0.00	$219,622	$274,719	$14,241	-26.97	72.56%	
WHEATLAND	SHAWMUT ELEM	7	0.00	$42,496	$33,997	5.13	13.32	$16,998	$41,924	$1,612	16.45	98.65%	**

Exhibit #3
4-20-93
HB-667

FICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF REPRESENTATIVE FAGG
CHOOL FUNDING ANALYSIS
ORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT
OURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
PECIAL ED ANB NOT INCLUDED BUT;
PECIAL ED COSTS INCLUDED IN BUDGETS

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ALL DATA IS A PROJECTION OF FY94

SPECIAL EDUCATION STATE SUPPORT & BUDGET AUTHORITY IS INCLUDED.

COUNTY	DISTRICT	FY 94 TOTAL ENROLL	FY 93 MILLS PERMISSIVE & VOTED	MAXIMUM & BASE BUDGETS: MAXIMUM GENERAL FUND BUDGET	MAXIMUM & BASE BUDGETS: BASE FUNDING PROGRAM	GTB MILLS TO SUPPORT FY 94 BUDGET	UNSUBSIDIZED MILLS TO SUPPORT BUDGET	STATE SUPPORT FOR FY 94 BUDGET INCLUDES SP.ED.	FY 94 GENERAL FUND BUDGET INCLUDING SPEC. ED.	FY 94 BUDGET MINUS FY 93 BUDGET	CHANGE IN MILLS TO PROJECTED FY94 BUDGET	FY 94 BUDG. AS A % OF MAXIMUM GF BUDGET	SPENT 85% OR LESS OF FY92 BUDGET
HEATLAND	TWO DOT ELEM	8	3.08	$45,994	$36,796	2.51	2.44	$18,398	$45,994	$977	1.87	100.00%	
IBAUX	WIBAUX ELEM	156	9.81	$706,444	$572,943	0.00	53.48	$297,018	$895,448	$0	43.67	126.40%	**
IBAUX	WIBAUX H S	82	0.00	$600,140	$480,112	0.00	33.82	$240,056	$659,663	$0	33.82	109.92%	**
ELLOWSTONE	BILLINGS ELEM	10,646	45.02	$43,545,873	$35,418,364	51.39	0.00	$26,718,579	$35,164,804	$1,352,492	6.37	80.75%	
ELLOWSTONE	BILLINGS H S	4,925	17.80	$24,600,543	$19,919,454	23.67	0.00	$13,474,886	$18,439,045	$740,204	5.87	74.95%	
ELLOWSTONE	BLUE CREEK ELEM	111	7.01	$405,279	$324,223	32.72	0.00	$195,853	$302,050	$11,617	25.71	74.53%	
ELLOWSTONE	BROADVIEW ELEM	63	14.46	$358,035	$289,357	0.08	27.49	$149,670	$513,000	$0	13.11	143.28%	**
ELLOWSTONE	BROADVIEW H S	37	8.90	$402,912	$324,854	2.86	21.78	$166,730	$508,000	$0	15.74	126.08%	**
ELLOWSTONE	CANYON CRK ELEM	216	45.38	$927,326	$745,950	48.28	0.00	$589,245	$702,396	$27,015	2.90	75.74%	
ELLOWSTONE	CUSTER ELEM	59	25.00	$300,763	$241,673	0.00	73.69	$122,647	$408,840	$0	48.69	135.93%	**
ELLOWSTONE	CUSTER H S	27	28.42	$332,125	$265,700	0.70	72.51	$134,155	$421,800	$0	44.79	127.00%	**
ELLOWSTONE	ELDER GROVE ELEM	212	38.19	$862,135	$690,142	41.19	0.00	$513,419	$628,297	$30,922	3.00	72.88%	
ELLOWSTONE	ELYSIAN ELEM	132	7.83	$488,191	$391,694	16.10	0.00	$197,792	$327,020	$32,337	8.27	66.99%	
ELLOWSTONE	HUNTLEY PROJ ELEM	490	33.58	$2,027,367	$1,633,489	46.07	0.00	$1,137,057	$1,568,618	$60,331	12.49	77.37%	
ELLOWSTONE	HUNTLEY PROJ HS	211	27.63	$1,251,157	$1,004,185	22.45	0.00	$685,026	$937,563	$36,060	-5.18	74.94%	
ELLOWSTONE	INDEPENDENT ELEM	167	21.56	$599,728	$479,782	47.10	0.00	$348,070	$471,866	$18,149	25.54	78.68%	
ELLOWSTONE	LAUREL ELEM	1,213	48.83	$4,969,367	$4,013,178	49.03	19.96	$2,965,982	$4,310,150	$165,775	20.16	86.73%	
ELLOWSTONE	LAUREL H S	613	10.22	$3,179,725	$2,551,811	17.55	0.00	$1,701,028	$2,190,030	$180,890	7.33	68.87%	
ELLOWSTONE	LOCKWOOD ELEM	1,199	34.66	$4,834,166	$3,905,198	44.09	0.00	$2,901,227	$3,687,121	$141,812	9.43	76.27%	
ELLOWSTONE	MORIN ELEM	34	1.77	$136,888	$109,510	13.44	0.00	$54,755	$151,335	$0	11.67	110.55%	**
ELLOWSTONE	PIONEER ELEM	65	20.43	$245,084	$196,067	45.16	32.73	$131,270	$226,720	$8,720	57.47	92.51%	
ELLOWSTONE	SHEPHERD ELEM	542	24.83	$2,225,848	$1,787,692	35.78	0.00	$1,297,598	$1,485,667	$151,012	10.95	66.75%	
ELLOWSTONE	SHEPHERD H S	253	45.15	$1,479,982	$1,190,453	24.69	0.00	$917,006	$1,102,661	$43,896	-20.46	74.51%	
TOTALS		156,805		$719,619,307	$580,750,635			$409,236,320	$634,000,732	$21,711,750		88.10%	

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 21, 1993, at 11:30 a.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe opened the discussion by saying the Committee is in full agreement on some of the items listed in House Bill 667 Amendments by the Senate Select Committee and Amendments made on the Senate Floor. (See Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes.)

ITEM #19: Required any OPI audit to be done by contract rather than Office of Legislative Auditor.

Chairman Towe reported the Legislative Audit Office, the Office of Public Instruction (OPI), the President of the Senate, and others involved, have all agreed on specific language regarding OPI audits. The amendment is attached as Exhibit No. 1 to these minutes. Chairman Towe explained the language in HB 667 at the present time says that the audit of the OPI shall be a contract audit. The amendment goes into detail and explains the intent of the Legislature is that the audit be contracted for the Fiscal Year ending June 30, 1994.

Rep. Hanson said he basically objects to this amendment. He thinks the Legislative Audit Office should handle the audit entirely. He asked if there should be a statement at the bottom of the Amendment that "this is only to apply for the 1994-95 biennium". Chairman Towe said language in the amendment clearly

states it is for the 1994-95 biennium audit only and will automatically end June, 1995. Rep. Hanson said he doesn't want the Legislature to consider extending this to other future audits, and he feels very strongly about this issue.

MOTION/VOTE:

Senator Stang moved for adoption of the amendment in Exhibit No. 1 to these minutes. The motion CARRIED UNANIMOUSLY on oral vote.

ITEM #7:

Jim Gillett, Office of the Legislative Auditor, distributed Exhibit No. 2 to these minutes. He said this document uses the current version of HB 667. The first column of figures is the Senate version of the bill. This has a 191% Guaranteed Tax Base (GTB) level and $7 million savings over a current level program. It lists the mill-levy ramifications of HB 667 under the Senate version. Curt Nichols, a member of the Governor's Budget Office, developed the GTB level in the second column, which is the House version of HB 667, showing a 161% GTB level. This version would take the savings from $7 million to $40 million. The third column is the mill-effect difference between the two versions of the bill. One saves $7 million; one saves $40 million.

During the April 20th meeting, Rep. Boharski and Senator Stang asked for a running comparison of the House versus the Senate on the GTB level. Exhibit No. 2 basically shows the cost of underfunding HB 667 by $33 million to the local taxpayers. Mr. Gillett said the number in the right-hand column is the affect on the local taxpayers if the State goes with the $33 million figure. These would be replaced with local levies. Senator Stang said this is assuming the local districts will replace the lost state funds with permissive levies to that amount. Chairman Towe asked if this is current budget permissive levies up to 104%. Mr. Gillett replied that is correct.

Mr. Gillett explained that Hays-Lodge Pole Elementary, for instance, is at 851.71 mills because it is an 874 Funded District. Mr. Gillett said this District's value of a mill is almost non-existent. So, when deriving a 4% growth on the base which includes their 874 money, but no growth in the 874 money is assumed, it takes several hundred mills to get 4% growth on the 874 money. Because there is no growth in the 874 money, it all translates into property tax.

The 24.67 mills shown for Beaverhead County High School is the total mill levy that would be required to reach the budget levels. This is not an increased mill levy, it is the current mill levy. That would be 29.27 if another $33 million is taken out.

Mr. Gillett reviewed Exhibit No. 3 to these minutes. The first column is the difference in mills under an enrollment situation between weighted and current GTB systems. A positive number means the district would levy that many more mills under weighted GTB than they would under current GTB. A negative number means that they would levy that many less mills under weighted GTB than they would under current GTB.

The second column is the same thing, except instead of using enrollment, they used ANB and adjusted the GTB levels to create an equivalent of State support.

The next three columns are the percent of maximum for each district. The first one is the maximum that 104% budget level in 1994 would create, using enrollment. The second column uses ANB; the last column is the difference between those two. In column 5, a positive change indicates the district has more budget flexibility under enrollment; i.e. the district's enrollment figure is higher than its ANB figure. Conversely, a negative number means a lower enrollment. The 75.95% shown for Beaverhead County High School means that their projected budget level for FY 94 is 75.95% of their maximum budget. They would be below the 80% (under enrollment). The next column says they are 76.37% of the maximum if ANB is used. This shows a growing school.

Column 6 indicates the impact on mills of changing from 1,000/800 Stop/Loss combination to 1500/800 Stop/Loss combination under the weighted GTB system. A negative number in the mills column indicates that many fewer mills would be levied under a 1500/800 Stop/Loss. Rep. Boharski explained that when going from 1000/800 Stop/Loss to 1500/800 Stop/Loss, it changes the state guarantee level from 191% to 194% and still saves $7 million.

A number in the 7th column means moving to a 1500 Stop/Loss from a 1000 Stop/Loss caused an elementary district to have less budget flexibility available and they capped out at 100%. The only district budget that is affected by the move, in the first year, is Butte Elementary. This move from a 1000 Stop/Loss to a 1500 Stop/Loss creates $159,750 less budget available to them.

Mr. Gillett said the 11th and 12th columns are the same as the 6th and 7th columns except they use the current GTB system instead of the weighted GTB system.

The 8th, 9th, and 10th columns are percents of maximum. They relate to either a current or weighted GTB system. Mr. Gillett said the larger elementary schools have slightly less budget flexibility with the change to a 1500 Stop/Loss. Great Falls Elementary shows as having 1.52% less maximum budget available to them if moving to a 1500 Stop/Loss.

Rep. Boharski said to follow up on the Stop/Loss, he pulled up the sheets discussed in yesterday's meeting. During that meeting, he said he didn't think there was a statistically

justifiable reason for the elementary schools to go to a 1000 Stop/Loss. He spoke of graphs previously distributed (see March 31, 1993, Select Committee on School Finance meeting on HB 667) which show 2500 and 2000 Stop/Losses. He said the 2000 line is directly between the minimum line and maximum line. He doesn't think the Committee should go below a 2000 Stop/Loss.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

Chairman Towe said it is his understanding there is a compromise proposed for the SB 32 Conference Committee. Madalyn Quinlan, OPI, presented Exhibit No. 4 to these minutes. Rep. Hanson cautioned the Chairman on use of the word "compromise", saying this is a cap to the existing Senate bill. He said it is not a compromise. The two bills have different approaches.

Senator Stang said when the Senate passed SB 32 over to the House, the Committee discussed whether to cap this bill. The only reason the Senate didn't put a cap on the amount that could be used for this, was the fact that they would have had to make an appropriation bill which couldn't originate in the Senate. As the bill left the Senate, the intent at that time was to have the House put a cap on it at whatever level they decided. The Senate had discussed the cap figure of $3 million. The Senate Education Committee did feel that in order to have SB 32 pass, it needed to be capped. If it didn't get capped, they didn't think they would have the votes to pass it, because leaving it open-ended, the State had no control over it.

Rep. Hanson said the House approach evolved from trying to arrive at a cap when it became apparent that they should try to equalize expenditures to all districts and change it to an entitlement and still retain the cap.

Madalyn Quinlan, OPI, gave background on how the bill reads now. Any district that issues a bond for a school facility after the effective date of this Act would go through a review process where the OPI and the Board of Public Education reviews the project and then decides what percentage of that project is either to replace a damaged or destroyed building to meet health and life safety issues and also to meet the accreditation standards. Once that percentage is determined and the bonds are issued, the district would qualify for GTB aid on that portion of the annual debt service payment that was the percentage approved by the Board of Public Education. One of the concerns that was raised about that method was that there was no cap on it. If OPI didn't correctly anticipate the number of districts that were going to issue bonds in the next two years, GTB was open-ended in terms of what would be paid out. The proposal that was first developed by Pat Melby and Larry Fasbender, and discussed with others, was that the appropriation for this biennium was $2 million, $700,000 of which would be appropriated in FY 94 and $1.3 million in FY 95. If that amount of GTB aid that was

appropriated was not enough to cover the annual debt service payment and the GTB share of that, then the money would be pro-rated out.

Ms. Quinlan referred to the written side of Exhibit No. 4 which says that OPI would appropriate $2 million over the biennium, and districts would levy debt service mills as if they had no access to GTB. By the first of May of the school's fiscal year, the OPI would determine the number of mills levied by each district for debt service, look at what GTB they qualified for based on those mills, and then if there was not enough money to meet that debt service obligation, OPI would pro-rate the appropriation across those mills. Districts would be reimbursed at the end of the year. They would then take that money and deposit it into their debt service fund and have that available to reduce their mill levies in the following year.

Ms. Quinlan said there doesn't appear to be any competition for these funds in 1994 because districts haven't issued yet. The OPI knows who intends to issue. The $700,000 appropriation in 1994 should take care of all of those districts.

Ms. Quinlan reviewed the reverse side of Exhibit No. 4, showing information for FY 95. There are five districts who have already approved bond issues since last February and are ready to issue those bonds. There are another five districts where the election is pending. The column titled Estimated GTB Cost to the State, shows the 10 districts qualifying for aid of $1,437,108. If there was $1.3 million to distribute, the districts would eat the last $137,108. The Pro-Rated Payment of $1.3 million is shown. Dain-Bosworth ran the numbers for OPI, using a 6% bond rate.

Chairman Towe asked what "delayed payment" means. Does it mean that the $1.3 is actually going to be paid so they won't be able to use it when the bonds become due in FY 95, but will be available in FY 96, so they are always one year behind? Ms. Quinlan said this is correct. They will levy the mills to meet the debt service payment, so the money will be available to meet the debt service payment, and OPI would reimburse them after the fact so they would have that money in their fund balance to reduce their next year's payments. The first year they will have to do the full debt service payment.

Senator Stang asked if the District share/State share is the amount of GTB that a district would get. Ms. Quinlan said this is the percentage GTB they would get. Looking at the Helena Elementary district, on a $330,000 annual debt service payment, for every one dollar they raise locally, they roughly have a $1 match in GTB aid. Missoula is closer to 1/3-2/3.

Ms. Quinlan reminded the Committee that a district would have to go through a review process that looks at making sure the process is necessary to meet the accreditation standards and the other qualifications under the bill. When these numbers were

run, they were based on the fact that all of the districts would have to go through the review process, but at this point, the assumption is that 100% of the project would qualify for GTB aid.

Chairman Towe asked why Lolo Elementary had only a 29% District share and over 70% State share. Ms. Quinlan said they have a very low tax base compared to the number of students they have.

Rep. Hanson said the building maintenance fund is not being considered. That would not be equalized in any way. There are three accounts, building reserve, building maintenance, and general fund, that are commonly used by some districts in capital outlay. This plan equalizes two, but does not equalize the third. Ms. Quinlan responded that this money is basically going to be used to subsidize the construction of new facilities or major add-ons to existing facilities, and not so much for building reserve projects which could include things like asbestos removal and energy conservation measures, etc.

Rep. Hanson asked the Committee to keep in mind that Ms. Quinlan mentioned the three items in SB 32; health and safety, and accreditation, that the school districts have to spend on. That's where the equalization comes in from the House's position.

Chairman Towe asked if there were any other informational requests on any of the items on the various Amendments. Senator Stang asked if OPI has provided the information requested on the enrollment. Greg Groepper, OPI, said this information is being printed now. This will include the number of ANB for increased budget amendment enrollments, and how many dollars were paid out.

ITEM #16:

Rep. Boharski asked if the Committee is interested in looking at the language in Section 62, Page 142, of HB 667. Chairman Towe recalled a request to add into "E" representatives of the following organizations: "Montana Federation of Teachers, the Montana Association of Business Officials, and the Montana Rural Education Association". Andrea Merrill, Legislative Council staff, suggested that the sponsor of this amendment wanted to be flexible so that the Legislative Council committee would be able to see what was appropriate after all the other interim studies shake out, and the work that might be assigned to Revenue Oversight or the Finance Committee is all apparent at the end of the Legislative Session. There might be something creative done where members of a couple of different committees were put together to do this, so there would be expertise across the spectrum of the issues. She suggested it is best to never put a list of who will be asked to help because someone is bound to be missed. She suggested it read, "all interested parties", and erase the list so no one is left out of the picture.

MOTION/VOTE:

Senator Stang moved that Page 143, Line 15, of HB 667, read, "(E) Representatives of schools and teachers, including all interested persons and organizations", and all remaining language be stricken from Lines 16 and 17, up to the ";" on Line 18. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

In discussing Page 142, beginning on Line 13, Chairman Towe said the flexibility referred to by Ms. Merrill should be retained, so the hands of the Legislative Council are not tied, and they can give the task to the group that will do the best job. Ms. Merrill asked the Chairman not to forget that there might be a combination of members from several of these committees. Rep. Peck said that committee [Legislative Council] still needs to get some money, rather than the appropriation that's for the interim studies that are ultimately selected.

Chairman Towe asked how this funding needs to be appropriated. Would the funding need to go to the Legislative Council and let the Legislative Council push the funds whatever direction it pushes the study, or does it need to be appropriated to a specific committee? Ms. Merrill suggested to make the appropriation to the Legislative Council. She is not sure how it would be shared with the Finance Committee because they have a different governing body, but this could be worked out. Rep. Boharski asked Rep. Peck if it would be appropriate to say a certain amount of dollars are appropriated to Legislative Council for the purpose of implementing Section 62, etc. Rep. Peck said this is correct, and if the Legislative Council invites members of the Finance Committee to be on that committee, they would be paid out of that fund.

MOVED:

Rep. Peck moved to appropriate $15,000 to the Legislative Council for the purposes of funding the study.

DISCUSSION:

The amount appropriated was discussed. Ms. Merrill suggested the amount is reasonable in that it costs at least $2,000 on the average to have eight persons come to town, for mileage, etc. Most interim studies have cost around $15,000 to $16,000. They are usually given $20,000 in case they have special projects. Rep. Peck said he would raise the amount in the motion to $20,000.

Rep. Peck withdrew his previous motion.

MOTION:

Rep. Peck moved to appropriate $20,000 to the Legislative Council for the purposes of funding the study.

DISCUSSION:

Ms. Merrill said if the money is not used, it reverts to the General Fund.

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Chairman Towe raised the issue of studying the items of accreditation that cost extra money, and asked if there is any interest in pursuing that issue in HB 667. Rep. Hanson said he would object to trying to include that issue in this bill because there are so many other things involved with it. He agrees something should be done with accreditation down the road. Rep. Peck said Rep. Simpkins spoke with him about this issue, and in particular, the cost on accreditation, and would like to have it added into HB 667. Senator Stang said he would just as soon leave accreditation out of HB 667. Chairman Towe determined there was no strong support for pursuing accreditation in HB 667, and dropped the issue.

ITEM #15: Allowed a school of a district more than 20 miles from another school in that district to receive separate basic entitlement.

Senator Stang asked if, when the amendment was adopted to allow a school district that is more than 20 miles from another school to receive the separate base entitlement, would some of the attendance centers qualify for the extra payment. Madalyn Quinlan said the only schools that will qualify for a separate payment are schools that are separately accredited units.

Rep. Boharski asked if these schools are being treated completely separate; do they get a separate base entitlement and per-student allocation? Ms. Quinlan said they are treated as if they are two separate districts. They get the extra base entitlement, plus they start over from the first student in terms of per-ANB entitlements.

Ms. Quinlan said the enrollment is very small in those schools that are 20 miles from another school; most are less than 10 kids. The total impact figure she had prepared is $250,000 total state-wide.

Senator Stang responded to Rep. Boharski's question by saying one reason this concept was proposed is because there are three separate school districts that have consolidated that are all 20 miles from each other, and because they had consolidated to try to eliminate their administrative expense, they would be penalized if this bill passes.

Rep. Hanson suggested adding language to HB 667 that this does not include attendance centers. OPI is paying money for attendance centers because the Courts say they have to. Ms. Quinlan said the language in HB 667 is very clear as it reads now, that it is only talking about schools. The definition of a school is that it is an accredited unit. Rep. Hanson said Item #15 is alright as long as attendance centers don't get involved in it.

Chairman Towe asked the minutes to reflect that attendance centers that are not separate schools are not intended to be included under Section 20 of HB 667.

Rep. Peck said his concern with this issue is that 20 miles becomes a target in future Legislatures. He thinks it is a dangerous thing on that basis, because it may go to 10 miles on a special case, and then it may go to five miles, and then these things are proliferating all over. He is concerned, but not objecting, to it. Chairman Towe reminded the Committee that this Legislature cannot control what future Legislatures do.

ITEM #17:

Rep. Hanson said he is concerned about OPI preparing the request for a proposal (RFP) to go out for implementation of the new system. He thinks it is a waste of money to hire somebody outside the OPI to implement the information they receive from each school district. He thinks other people should help prepare the request for a proposal that goes out and solicits. Chairman Towe said this may be covered in the language in the bill now. Rep. Hanson said it says OPI, and he would rather not rely on their knowledge as far as the preparation of the RFP. He thinks other interested school districts or somebody else should prepare the RFP so the system can be tied together. Rep. Boharski asked if Rep. Hanson could draft some language for the RFP, and Rep. Hanson said he would do that.

Rep. Hanson distributed Exhibit No. 5 to these minutes which show the affects of SB 32 if entitlements are used rather than debt service.

ADJOURNMENT

Adjournment: The meeting adjourned at 12:42 p.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-21-93 11:30 A.M.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

Fin Corp. Comm.
EXHIBIT 1
DATE 4-21-93
SB HB 667

HB 667A

April 20, 1993, 1:49pm

AMENDMENT TO HB 667

Reference bill as amended.

1. Page 139, line 3.
Following: "biennium."
Strike: Remainder of the section.
Insert: "The legislative audit committee, under its constitutional authority to supervise legislative post-audits, must ensure the independence of the audit of the office of the superintendent of public instruction conducted pursuant to Title 5, chapter 11, during the 1994-95 biennium. It is the intent of the legislature that the biennial financial compliance audit for the two fiscal years ended June 30, 1994 be contracted. To the extent that the legislative audit committee contracts with a private firm to conduct the entire audit, including audit work required to complete the Statewide Audit and the Federal Single Audit, or a portion of the audit, the total cost of all audit work during the biennium will be paid first from the line item appropriation to the office of the superintendent of public instruction for audit costs. The Legislative Auditor is appropriated $40,000, General Fund, to be used if the line item audit appropriation to the office of the superintendent of public instruction is insufficient to pay total audit costs.

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED; SPECIAL ED COSTS INCLUDED IN BUDGETS

4-xec Corp Comm
SENATE TAXATION
EXHIBIT NO. 2
DATE 4-21-93
BILL NO. HB 667

CCM667_2.WK1
04/21/93
08:57 AM

COUNTY	DISTRICT	HOUSE BILL 667 SENATE $7 MILLION GTB 191%	HOUSE $40 MILLION GTB 161%	IMPACT ON MILLS OF SAVING ADDITIONAL $33 MILLION
BEAVERHEAD	BEAVERHEAD CO HS	24.67	29.27	4.60
BEAVERHEAD	DILLON ELEM	57.70	66.91	9.21
BEAVERHEAD	GRANT ELEM	32.05	32.05	0.00
BEAVERHEAD	JACKSON ELEM	60.20	60.20	0.00
BEAVERHEAD	LIMA ELEM	35.30	41.88	6.58
BEAVERHEAD	LIMA H S	24.95	29.59	4.65
BEAVERHEAD	POLARIS ELEM	30.30	35.95	5.65
BEAVERHEAD	REICHLE ELEM	52.07	52.27	0.20
BEAVERHEAD	WISDOM ELEM	37.23	44.16	6.94
BEAVERHEAD	WISE RIVER ELEM	48.18	49.36	1.18
BIG HORN	COMMUNITY ELEM	25.48	25.48	0.00
BIG HORN	HARDIN ELEM	54.07	64.14	10.07
BIG HORN	HARDIN H S	29.32	31.15	1.83
BIG HORN	LODGE GRASS ELEM	257.28	257.28	0.00
BIG HORN	LODGE GRASS H S	111.71	111.71	0.00
BIG HORN	PLENTY COUPS HS	30.58	36.28	5.70
BIG HORN	PRYOR ELEM	58.15	68.99	10.84
BIG HORN	SQUIRREL CRK ELEM	3.82	3.82	0.00
BIG HORN	WYOLA ELEM	108.44	118.97	10.53
BLAINE	BEAR PAW ELEM	30.28	30.28	0.00
BLAINE	CHINOOK ELEM	67.79	71.13	3.34
BLAINE	CHINOOK H S	24.08	25.44	1.36
BLAINE	CLEVELAND ELEM	25.85	25.85	0.00
BLAINE	HARLEM ELEM	54.65	64.84	10.18
BLAINE	HARLEM H S	25.11	29.79	4.68
BLAINE	HAYS-LODGE POLE ELEM	851.71	861.67	9.95
BLAINE	HAYS-LODGE POLE H S	31.16	36.96	5.81
BLAINE	LLOYD ELEM	10.63	10.63	0.00
BLAINE	N HARLEM COLONY ELEM	52.06	61.76	9.70
BLAINE	TURNER ELEM	86.40	94.94	8.54
BLAINE	TURNER H S	35.16	39.77	4.61
BLAINE	ZURICH ELEM	33.86	33.86	0.00
BROADWATER	BROADWATER CO HS	15.80	17.85	2.05
BROADWATER	TOWNSEND ELEM	35.22	39.71	4.49
CARBON	BELFRY ELEM	109.82	109.82	0.00
CARBON	BELFRY H S	120.58	120.58	0.00
CARBON	BOYD ELEM	29.25	29.25	0.00
CARBON	BRIDGER ELEM	53.39	59.47	6.08
CARBON	BRIDGER H S	41.45	44.61	3.16
CARBON	EDGAR ELEM	62.03	62.03	0.00
CARBON	FROMBERG ELEM	66.95	75.69	8.74
CARBON	FROMBERG H S	42.12	46.98	4.86
CARBON	JACKSON ELEM	105.93	116.33	10.41
CARBON	JOLIET ELEM	39.38	46.72	7.34
CARBON	JOLIET H S	22.96	27.23	4.28
CARBON	LUTHER ELEM	41.12	44.54	3.42
CARBON	RED LODGE ELEM	41.28	48.97	7.69
CARBON	RED LODGE H S	24.96	29.62	4.65
CARBON	ROBERTS ELEM	51.40	60.78	9.39
CARBON	ROBERTS H S	23.15	27.46	4.31
CARTER	ALBION ELEM	22.06	22.06	0.00
CARTER	ALZADA ELEM	6.66	6.66	0.00

OFFICE OF THE LEGISLATIVE AUDITOR — CCM667_2.WK1
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE — 04/21/93
SCHOOL FUNDING ANALYSIS — 08:57 AM
SORT SEQUENCE: COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED; SPECIAL ED COSTS INCLUDED IN BUDGETS

COUNTY	DISTRICT	HOUSE BILL 667 SENATE $7 MILLION GTB 191%	HOUSE BILL 667 HOUSE $40 MILLION GTB 161%	IMPACT ON MILLS OF SAVING ADDITIONAL $33 MILLION
CARTER	CARTER CO H S	11.40	11.40	0.00
CARTER	EKALAKA ELEM	88.58	93.92	5.33
CARTER	HAMMOND-HAWKS HOME	38.69	38.69	0.00
CARTER	JOHNSTON ELEM	27.62	27.62	0.00
CARTER	PINE HILL-PLAINVW EL	27.06	27.06	0.00
CARTER	RIDGE ELEM	65.07	65.07	0.00
CASCADE	BELT ELEM	50.76	59.30	8.54
CASCADE	BELT H S	43.63	47.97	4.34
CASCADE	CASCADE ELEM	34.39	40.80	6.41
CASCADE	CASCADE H S	21.97	26.06	4.09
CASCADE	CENTERVILLE EL	60.77	70.07	9.30
CASCADE	CENTERVILLE H S	19.32	22.92	3.60
CASCADE	DEEP CREEK ELEM	40.33	40.33	0.00
CASCADE	GREAT FALLS EL	77.83	88.01	10.18
CASCADE	GREAT FALLS H S	48.27	53.59	5.33
CASCADE	SIMMS H S	31.83	37.62	5.79
CASCADE	SUN RIVER VALLEY ELM	115.45	125.09	9.64
CASCADE	ULM ELEM	36.62	43.45	6.82
CASCADE	VAUGHN ELEM	61.67	72.25	10.57
CHOTEAU	BIG SANDY ELEM	56.98	56.98	0.00
CHOTEAU	BIG SANDY H S	39.70	42.09	2.39
CHOTEAU	CARTER ELEM	18.52	18.52	0.00
CHOTEAU	FT BENTON ELEM	74.96	83.57	8.61
CHOTEAU	FT BENTON H S	35.32	40.41	5.09
CHOTEAU	GERALDINE ELEM	52.48	52.48	0.00
CHOTEAU	GERALDINE H S	42.35	43.28	0.94
CHOTEAU	HIGHWOOD ELEM	123.84	128.84	5.00
CHOTEAU	HIGHWOOD H S	30.56	32.25	1.69
CHOTEAU	KNEES ELEM	18.54	18.54	0.00
CHOTEAU	LOMA ELEM	13.85	13.85	0.00
CHOTEAU	WARRICK ELEM	21.99	21.99	0.00
CUSTER	COTTONWOOD EL	147.14	156.27	9.13
CUSTER	CUSTER CO H S	24.79	29.40	4.62
CUSTER	HKT-BASIN SPR CRK EL	31.00	31.00	0.00
CUSTER	KINSEY ELEM	45.16	53.57	8.41
CUSTER	KIRCHER ELEM	26.87	26.87	0.00
CUSTER	MILES CITY ELEM	47.79	56.70	8.91
CUSTER	MOON CREEK EL	20.24	20.24	0.00
CUSTER	S H-FOSTER CRK ELEM	20.43	23.69	3.26
CUSTER	S Y ELEM	25.70	25.70	0.00
CUSTER	TRAIL CREEK EL	37.42	37.42	0.00
CUSTER	TWIN BUTTES EL	42.71	42.71	0.00
CUSTER	WHITNEY CRK EL	66.45	66.62	0.16
DANIELS	FLAXVILLE ELEM	85.96	85.96	0.00
DANIELS	FLAXVILLE H S	36.83	39.09	2.26
DANIELS	PEERLESS ELEM	127.64	127.64	0.00
DANIELS	PEERLESS H S	72.69	74.38	1.68
DANIELS	SCOBEY ELEM	82.40	87.45	5.05
DANIELS	SCOBEY H S	67.64	70.40	2.76
DAWSON	BLOOMFIELD ELEM	19.31	19.31	0.00
DAWSON	DAWSON CO H S	30.80	33.60	2.80
DAWSON	DEER CREEK ELEM	10.53	10.53	0.00

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SORT SEQUENCE: COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED; SPECIAL ED COSTS INCLUDED IN BUDGETS

COUNTY	DISTRICT	HOUSE BILL 667 SENATE $7 MILLION GTB 191%	HOUSE BILL 667 HOUSE $40 MILLION GTB 161%	IMPACT ON MILLS OF SAVING ADDITIONAL $33 MILLION
DAWSON	GLENDIVE ELEM	50.50	58.32	7.82
DAWSON	LINDSAY ELEM	25.04	25.04	0.00
DAWSON	RICHEY ELEM	118.65	118.65	0.00
DAWSON	RICHEY H S	40.81	44.38	3.56
DEER LODGE	ANACONDA ELEM	58.30	64.43	6.13
DEER LODGE	ANACONDA H S	40.88	43.84	2.96
FALLON	BAKER ELEM	65.15	65.15	0.00
FALLON	BAKER H S	19.89	19.89	0.00
FALLON	FERTILE PRAIRIE EL	0.00	0.00	0.00
FALLON	PLEVNA ELEM	26.84	26.84	0.00
FALLON	PLEVNA H S	24.66	24.66	0.00
FERGUS	AYERS ELEM	29.27	34.72	5.45
FERGUS	COTTONWOOD ELEM	54.07	61.77	7.70
FERGUS	DEERFIELD ELEM	33.85	40.16	6.31
FERGUS	DENTON ELEM	45.80	54.05	8.25
FERGUS	DENTON H S	19.97	23.69	3.72
FERGUS	FERGUS H S	26.65	31.61	4.96
FERGUS	GRASS RANGE EL	61.85	68.07	6.21
FERGUS	GRASS RANGE H S	58.83	62.49	3.65
FERGUS	KING COLONY EL	16.55	16.55	0.00
FERGUS	LEWISTOWN ELEM	44.92	53.29	8.37
FERGUS	MAIDEN ELEM	51.30	55.26	3.96
FERGUS	MOORE ELEM	79.80	89.02	9.22
FERGUS	MOORE H S	59.25	64.56	5.31
FERGUS	ROY ELEM	141.11	141.78	0.68
FERGUS	ROY H S	114.36	114.36	0.00
FERGUS	SPRING CRK COLONY EL	91.40	97.12	5.72
FERGUS	WINIFRED ELEM	70.71	74.09	3.38
FERGUS	WINIFRED H S	49.98	53.02	3.04
FLATHEAD	BATAVIA ELEM	69.03	78.87	9.84
FLATHEAD	BIGFORK ELEM	50.27	59.64	9.37
FLATHEAD	BIGFORK H S	18.19	21.58	3.39
FLATHEAD	CAYUSE PRAIRIE ELEM	81.27	91.48	10.21
FLATHEAD	COLUMBIA FALLS ELEM	45.23	53.66	8.43
FLATHEAD	COLUMBIA FALLS H S	23.37	27.72	4.35
FLATHEAD	CRESTON ELEM	52.99	62.86	9.87
FLATHEAD	DEER PARK ELEM	111.94	122.19	10.25
FLATHEAD	EVERGREEN ELEM	50.13	59.47	9.34
FLATHEAD	FAIR-MONT-EGAN ELEM	42.05	49.88	7.84
FLATHEAD	FLATHEAD H S	27.42	32.53	5.11
FLATHEAD	HELENA FLATS EL	48.07	57.03	8.96
FLATHEAD	KALISPELL ELEM	47.09	55.87	8.78
FLATHEAD	KILA ELEM	36.95	43.84	6.89
FLATHEAD	MARION ELEM	62.25	71.93	9.68
FLATHEAD	OLNEY-BISSELL ELEM	47.33	56.15	8.82
FLATHEAD	PLEASANT VALLEY ELEM	38.56	38.56	0.00
FLATHEAD	SOMERS ELEM	42.64	50.58	7.94
FLATHEAD	SWAN RIVER EL	48.22	54.77	6.55
FLATHEAD	WEST GLACIER ELEM	30.00	30.00	0.00
FLATHEAD	WEST VALLEY EL	43.23	51.28	8.05
FLATHEAD	WHITEFISH ELEM	36.62	43.44	6.82
FLATHEAD	WHITEFISH H S	19.19	22.77	3.58

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GALLATIN	AMSTERDAM ELEM	39.75	39.75	0.00
GALLATIN	ANDERSON ELEM	45.31	53.75	8.44
GALLATIN	BELGRADE ELEM	47.20	55.99	8.79
GALLATIN	BELGRADE H S	20.37	24.17	3.80
GALLATIN	BOZEMAN ELEM	43.55	51.66	8.11
GALLATIN	BOZEMAN H S	34.93	40.07	5.15
GALLATIN	COTTONWOOD EL	83.36	85.14	1.78
GALLATIN	GALLATIN GTWY ELEM	36.26	43.02	6.76
GALLATIN	LA MOTTE ELEM	37.69	44.71	7.02
GALLATIN	MALMBORG ELEM	24.38	24.38	0.00
GALLATIN	MANHATTAN ELEM	45.85	54.40	8.54
GALLATIN	MANHATTAN H S	22.43	26.61	4.18
GALLATIN	MONFORTON EL	64.20	74.30	10.10
GALLATIN	OPHIR ELEM	16.37	16.37	0.00
GALLATIN	PASS CREEK ELEM	42.49	42.49	0.00
GALLATIN	SPRINGHILL EL	63.18	73.69	10.51
GALLATIN	THREE FORKS EL	40.53	48.08	7.55
GALLATIN	THREE FORKS H S	33.10	37.93	4.83
GALLATIN	W YELLOWSTONE ELEM	61.59	69.18	7.59
GALLATIN	W YELLOWSTONE H S	56.25	60.02	3.76
GALLATIN	WILLOW CREEK EL	35.85	39.03	3.18
GALLATIN	WILLOW CREEK HS	21.27	25.24	3.96
GARFIELD	BENZIEN ELEM	54.21	62.79	8.58
GARFIELD	BIG DRY CREEK ELEM	34.20	34.20	0.00
GARFIELD	BLACKFOOT ELEM	39.69	39.69	0.00
GARFIELD	COHAGEN ELEM	35.13	35.13	0.00
GARFIELD	GARFIELD CO H S	21.49	25.49	4.00
GARFIELD	JORDAN ELEM	34.08	40.43	6.35
GARFIELD	KESTER ELEM	86.51	88.64	2.13
GARFIELD	PINE GROVE ELEM	42.18	50.04	7.86
GARFIELD	ROSS ELEM	170.85	177.86	7.01
GARFIELD	SAND SPRINGS EL	33.56	33.56	0.00
GARFIELD	VAN NORMAN ELEM	42.35	50.25	7.89
GLACIER	BROWNING ELEM	0.00	0.00	0.00
GLACIER	BROWNING H S	0.00	0.00	0.00
GLACIER	CUT BANK ELEM	28.53	32.25	3.72
GLACIER	CUT BANK H S	3.52	3.84	0.32
GLACIER	E GLACIER PARK ELEM	24.50	27.30	2.81
GLACIER	MOUNTAIN VIEW ELEMENTAR	44.73	53.07	8.34
GOLDEN VALLEY	LAVINA ELEM	37.05	43.96	6.90
GOLDEN VALLEY	LAVINA H S	20.78	24.65	3.87
GOLDEN VALLEY	RYEGATE ELEM	46.29	46.29	0.00
GOLDEN VALLEY	RYEGATE H S	41.71	46.15	4.44
GRANITE	DRUMMOND ELEM	43.51	50.57	7.06
GRANITE	DRUMMOND H S	12.00	14.23	2.24
GRANITE	GRANITE H S	40.94	44.90	3.96
GRANITE	HALL ELEM	47.82	47.82	0.00
GRANITE	PHILIPSBURG EL	34.45	40.87	6.42
HILL	BLUE SKY ELEM	55.37	57.68	2.31
HILL	BLUE SKY HIGH	57.27	59.71	2.45
HILL	BOX ELDER ELEM	55.85	66.25	10.41
HILL	BOX ELDER H S	32.52	38.58	6.06

Senate Conference Com.
Exhibit #2
4-21-93
HB- 667

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HILL	COTTONWOOD ELEM	31.52	31.52	0.00
HILL	DAVEY ELEM	0.00	0.00	0.00
HILL	GILDFORD COLONY ELEM	47.29	56.08	8.79
HILL	HAVRE ELEM	51.80	60.07	8.27
HILL	HAVRE H S	15.00	17.79	2.79
HILL	K-G ELEM	71.64	71.64	0.00
HILL	K-G HIGH SCHOOL	53.91	57.22	3.31
HILL	ROCKY BOY ELEM	13.69	16.25	2.55
HILL	ROCKY BOY H S	0.00	0.00	0.00
JEFFERSON	BASIN ELEM	0.00	0.00	0.00
JEFFERSON	BOULDER ELEM	72.47	82.24	9.77
JEFFERSON	CARDWELL ELEM	14.40	14.40	0.00
JEFFERSON	CLANCY ELEM	48.99	58.12	9.13
JEFFERSON	JEFFERSON H S	22.53	24.67	2.14
JEFFERSON	MONTANA CITY ELEM	70.27	79.21	8.94
JEFFERSON	WHITEHALL ELEM	40.54	48.09	7.55
JEFFERSON	WHITEHALL H S	19.57	23.22	3.65
JUDITH BASIN	GEYSER ELEM	51.33	59.04	7.71
JUDITH BASIN	GEYSER H S	25.91	30.32	4.41
JUDITH BASIN	HOBSON ELEM	61.23	61.40	0.17
JUDITH BASIN	HOBSON H S	54.17	59.43	5.26
JUDITH BASIN	RAYNESFORD ELEM	77.49	77.49	0.00
JUDITH BASIN	STANFORD ELEM	62.82	63.48	0.67
JUDITH BASIN	STANFORD H S	31.45	36.30	4.85
LAKE	ARLEE ELEM	61.88	69.34	7.46
LAKE	ARLEE H S	18.89	22.42	3.52
LAKE	CHARLO ELEM	100.04	109.07	9.03
LAKE	CHARLO H S	22.90	27.16	4.27
LAKE	POLSON ELEM	41.71	49.48	7.77
LAKE	POLSON H S	22.48	26.66	4.19
LAKE	RONAN ELEM	30.49	36.17	5.68
LAKE	RONAN H S	17.04	20.21	3.18
LAKE	ST IGNATIUS ELEM	16.40	19.46	3.06
LAKE	ST IGNATIUS H S	19.18	22.76	3.57
LAKE	SWAN LAKE-SALMON ELEM	39.98	39.98	0.00
LAKE	UPPER WEST SHORE ELEM	8.91	8.91	0.00
LAKE	VALLEY VIEW ELEM	38.19	45.31	7.12
LEWIS & CLARK	AUCHARD CRK ELEM	18.36	21.78	3.42
LEWIS & CLARK	AUGUSTA ELEM	87.79	96.31	8.51
LEWIS & CLARK	AUGUSTA H S	21.07	24.91	3.84
LEWIS & CLARK	CRAIG ELEM	15.16	15.16	0.00
LEWIS & CLARK	E HELENA ELEM	48.52	57.56	9.04
LEWIS & CLARK	HELENA ELEM	73.88	83.74	9.86
LEWIS & CLARK	HELENA H S	47.26	52.74	5.47
LEWIS & CLARK	KESSLER ELEM	43.40	51.48	8.09
LEWIS & CLARK	LINCOLN ELEM	41.06	48.71	7.65
LEWIS & CLARK	LINCOLN HIGH SCHOOL	27.15	32.21	5.06
LEWIS & CLARK	TRINITY ELEM	8.67	8.67	0.00
LEWIS & CLARK	WOLF CREEK ELEM	3.62	3.62	0.00
LIBERTY	CHESTER ELEM	38.26	38.26	0.00
LIBERTY	CHESTER H S	25.06	25.70	0.64
LIBERTY	J-I ELEM	81.44	81.44	0.00

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LIBERTY	J-I HIGH SCHOOL	60.32	63.45	3.13
LIBERTY	LIBERTY ELEM SCHOOL	0.00	0.00	0.00
LIBERTY	WHITLASH ELEM	7.89	7.89	0.00
LINCOLN	EUREKA ELEM	47.27	56.08	8.81
LINCOLN	FORTINE ELEM	35.77	42.43	6.67
LINCOLN	LIBBY ELEM	46.69	54.78	8.09
LINCOLN	LIBBY H S	26.88	31.20	4.32
LINCOLN	LINCOLN CO H S	21.37	25.35	3.98
LINCOLN	MCCORMICK ELEM	23.41	27.77	4.36
LINCOLN	SYLVANITE ELEM	49.10	58.25	9.15
LINCOLN	TREGO ELEM	29.72	35.26	5.54
LINCOLN	TROY ELEM	49.05	58.20	9.14
LINCOLN	TROY H S	25.09	29.77	4.68
LINCOLN	YAAK ELEM	34.64	41.10	6.45
MADISON	ALDER ELEM	48.74	48.74	0.00
MADISON	ENNIS ELEM	34.17	34.17	0.00
MADISON	ENNIS H S	29.34	29.34	0.00
MADISON	HARRISON ELEM	37.51	44.50	6.99
MADISON	HARRISON H S	21.16	25.10	3.94
MADISON	SHERIDAN ELEM	30.80	36.54	5.74
MADISON	SHERIDAN H S	23.93	28.38	4.46
MADISON	TWIN BRIDGES ELEM	64.81	68.08	3.26
MADISON	TWIN BRIDGES H S	43.82	47.85	4.03
MCCONE	CIRCLE ELEM	46.23	50.36	4.13
MCCONE	CIRCLE H S	25.28	28.46	3.19
MCCONE	PRAIRIE ELK ELEM	14.78	14.78	0.00
MCCONE	SOUTHVIEW ELEM	30.45	30.45	0.00
MCCONE	VIDA ELEM	15.13	15.13	0.00
MEAGHER	LENNEP ELEM	5.25	5.25	0.00
MEAGHER	RINGLING ELEM	13.43	13.43	0.00
MEAGHER	WHT SULPHUR SPGS ELEM	81.02	89.84	8.82
MEAGHER	WHT SULPHUR SPGS HS	35.88	36.40	0.52
MINERAL	ALBERTON ELEM	80.95	89.38	8.42
MINERAL	ALBERTON H S	43.22	48.08	4.86
MINERAL	ST REGIS ELEM	47.21	55.05	7.84
MINERAL	ST REGIS H S	27.14	31.25	4.11
MINERAL	SUPERIOR ELEM	49.56	58.80	9.24
MINERAL	SUPERIOR H S	27.71	32.87	5.16
MISSOULA	BONNER ELEM	64.17	74.31	10.14
MISSOULA	CLINTON ELEM	51.12	60.65	9.53
MISSOULA	DESMET SCHOOL	47.65	56.53	8.88
MISSOULA	FRENCHTOWN ELEM	39.89	42.42	2.52
MISSOULA	FRENCHTOWN H S	30.65	34.04	3.40
MISSOULA	HELLGATE ELEM	43.95	52.14	8.19
MISSOULA	LOLO ELEM	71.47	81.93	10.46
MISSOULA	MISSOULA ELEM	72.19	82.33	10.14
MISSOULA	MISSOULA H S	43.29	48.87	5.58
MISSOULA	POTOMAC ELEM	102.26	111.38	9.12
MISSOULA	SEELEY LAKE ELEM	43.54	51.65	8.11
MISSOULA	SUNSET ELEM	25.83	29.69	3.86
MISSOULA	SWAN VALLEY ELEM	94.58	100.93	6.35
MISSOULA	TARGET RANGE ELEM	45.06	53.45	8.40

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MISSOULA	WOODMAN ELEM	110.88	116.95	6.07
MUSSELSHELL	MELSTONE ELEM	64.76	68.90	4.14
MUSSELSHELL	MELSTONE H S	99.07	102.57	3.50
MUSSELSHELL	MUSSELSHELL ELEM	17.91	17.91	0.00
MUSSELSHELL	ROUNDUP ELEM	56.70	66.75	10.05
MUSSELSHELL	ROUNDUP H S	16.77	19.89	3.12
PARK	ARROWHEAD ELEM	34.01	34.01	0.00
PARK	COOKE CITY ELEM	19.85	19.85	0.00
PARK	GARDINER ELEM	42.87	50.86	7.99
PARK	GARDINER H S	18.33	21.75	3.42
PARK	LIVINGSTON ELEM	51.28	60.76	9.48
PARK	PARK H S	21.64	25.68	4.03
PARK	PINE CREEK ELEM	31.58	36.48	4.90
PARK	RICHLAND ELEM	17.26	17.26	0.00
PARK	SPRINGDALE ELEM	10.34	10.34	0.00
PARK	SHIELDS VALLEY HIGH SCH	38.88	42.45	3.57
PARK	SHIELDS VLY ELEM SCH DIST	39.59	46.97	7.38
PETROLEUM	WINNETT ELEM	77.48	81.46	3.98
PETROLEUM	WINNETT H S	55.88	58.43	2.55
PHILLIPS	DODSON ELEM	82.16	86.87	4.71
PHILLIPS	DODSON H S	46.43	49.26	2.84
PHILLIPS	LANDUSKY ELEM	5.05	5.05	0.00
PHILLIPS	MALTA ELEM	59.65	67.90	8.26
PHILLIPS	MALTA H S	25.72	30.51	4.79
PHILLIPS	SACO ELEM	41.19	41.19	0.00
PHILLIPS	SACO H S	48.98	48.98	0.00
PHILLIPS	SECOND CRK ELEM	20.98	20.98	0.00
PHILLIPS	WHITEWATER ELEM	31.86	31.86	0.00
PHILLIPS	WHITEWATER H S	13.96	13.96	0.00
PONDERA	BRADY ELEM	70.05	70.05	0.00
PONDERA	BRADY H S	27.72	32.88	5.16
PONDERA	CONRAD ELEM	52.79	59.47	6.68
PONDERA	CONRAD H S	30.41	33.81	3.40
PONDERA	DUPUYER ELEM	65.88	69.42	3.55
PONDERA	HEART BUTTE	499.84	500.99	1.15
PONDERA	HEART BUTTE ELEM	26.34	31.25	4.91
PONDERA	MIAMI ELEM	48.55	56.26	7.71
PONDERA	VALIER ELEM	43.52	51.63	8.11
PONDERA	VALIER H S	40.73	45.89	5.16
POWDER RIVER	BELLE CREEK EL	8.04	8.04	0.00
POWDER RIVER	BIDDLE ELEM	56.37	62.96	6.59
POWDER RIVER	BILLUP ELEM	61.33	63.24	1.91
POWDER RIVER	BROADUS ELEM	88.21	94.51	6.30
POWDER RIVER	HORKAN CRK ELEM	42.82	50.63	7.82
POWDER RIVER	POWDER RVR CO DIST HS	56.75	56.79	0.04
POWDER RIVER	SO STACEY ELEM	31.58	37.47	5.88
POWELL	AVON ELEM	18.77	18.77	0.00
POWELL	DEER LODGE ELEM	69.03	76.21	7.18
POWELL	ELLISTON ELEM	30.90	36.66	5.76
POWELL	GARRISON ELEM	4.56	4.56	0.00
POWELL	GOLD CREEK ELEM	4.35	4.35	0.00
POWELL	HELMVILLE ELEM	32.93	32.93	0.00

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POWELL	OVANDO ELEM	52.04	52.04	0.00
POWELL	POWELL CO H S	31.79	35.83	4.04
PRAIRIE	TERRY ELEM	50.50	54.43	3.93
PRAIRIE	TERRY H S	31.05	34.48	3.43
RAVALLI	CORVALLIS ELEM	44.03	52.23	8.20
RAVALLI	CORVALLIS H S	18.56	22.02	3.46
RAVALLI	DARBY ELEM	42.33	50.22	7.89
RAVALLI	DARBY H S	20.71	24.57	3.86
RAVALLI	FLORENCE-CARLTON ELEM	42.53	50.46	7.93
RAVALLI	FLORENCE-CARLTON HS	20.53	24.36	3.83
RAVALLI	HAMILTON ELEM	26.90	31.91	5.01
RAVALLI	HAMILTON H S	13.22	15.68	2.46
RAVALLI	LONE ROCK ELEM	54.56	64.02	9.46
RAVALLI	STEVENSVILLE EL	37.58	44.58	7.00
RAVALLI	STEVENSVILLE HS	15.83	18.77	2.95
RAVALLI	VICTOR ELEM	40.21	47.70	7.49
RAVALLI	VICTOR H S	23.95	28.41	4.46
RICHLAND	BRORSON ELEM	16.65	16.65	0.00
RICHLAND	FAIRVIEW ELEM	54.01	54.01	0.00
RICHLAND	FAIRVIEW H S	35.75	35.75	0.00
RICHLAND	LAMBERT ELEM	100.34	100.34	0.00
RICHLAND	LAMBERT H S	89.01	90.28	1.27
RICHLAND	RAU ELEM	61.11	63.17	2.06
RICHLAND	SAVAGE ELEM	33.42	39.65	6.23
RICHLAND	SAVAGE H S	59.61	61.29	1.68
RICHLAND	SIDNEY ELEM	67.46	71.56	4.09
RICHLAND	SIDNEY H S	25.66	27.63	1.97
ROOSEVELT	BAINVILLE ELEM	18.81	18.81	0.00
ROOSEVELT	BAINVILLE H S	18.40	18.40	0.00
ROOSEVELT	BROCKTON ELEM	48.96	56.34	7.38
ROOSEVELT	BROCKTON H S	22.03	26.14	4.11
ROOSEVELT	CULBERTSON ELEM	59.00	65.68	6.68
ROOSEVELT	CULBERTSON H S	26.66	30.06	3.40
ROOSEVELT	FROID ELEM	73.18	77.99	4.81
ROOSEVELT	FROID H S	51.65	54.89	3.24
ROOSEVELT	FRONTIER ELEM	53.22	54.56	1.34
ROOSEVELT	POPLAR ELEM	146.13	146.13	0.00
ROOSEVELT	POPLAR H S	98.29	98.29	0.00
ROOSEVELT	WOLF POINT ELEM	31.95	37.91	5.95
ROOSEVELT	WOLF POINT H S	31.35	32.65	1.30
ROSEBUD	ASHLAND ELEM	39.66	47.05	7.39
ROSEBUD	BIRNEY ELEM	46.77	51.94	5.16
ROSEBUD	COLSTRIP ELEM	8.76	8.76	0.00
ROSEBUD	COLSTRIP H S	4.76	4.76	0.00
ROSEBUD	FORSYTH ELEM	52.92	60.26	7.33
ROSEBUD	FORSYTH H S	12.45	14.77	2.32
ROSEBUD	LAME DEER ELEM	32.05	38.02	5.97
ROSEBUD	ROCK SPRING ELEM	18.91	18.91	0.00
ROSEBUD	ROSEBUD ELEM	72.18	80.34	8.16
ROSEBUD	ROSEBUD H S	32.47	36.36	3.88
SANDERS	CAMAS PRAIRIE ELEM	14.64	14.64	0.00
SANDERS	DIXON ELEM	0.00	0.00	0.00

Free Conference Com.
Exhibit #2
4-21-93
HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED; SPECIAL ED COSTS INCLUDED IN BUDGETS

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04/21/93
08:57 AM

COUNTY	DISTRICT	HOUSE BILL 667 SENATE $7 MILLION GTB 191%	HOUSE BILL 667 HOUSE $40 MILLION GTB 161%	IMPACT ON MILLS OF SAVING ADDITIONAL $33 MILLION
SANDERS	HOT SPRINGS ELEM	87.34	96.56	9.22
SANDERS	HOT SPRINGS H S	37.58	42.69	5.11
SANDERS	NOXON ELEM	47.76	47.76	0.00
SANDERS	NOXON H S	20.34	20.34	0.00
SANDERS	PARADISE ELEM	37.52	44.51	6.99
SANDERS	PLAINS ELEM	36.13	42.86	6.73
SANDERS	PLAINS H S	20.84	24.73	3.88
SANDERS	THOMPSON FALLS ELEM	47.37	56.19	8.83
SANDERS	THOMPSON FALLS H S	22.13	26.26	4.12
SANDERS	TROUT CRK ELEM	36.44	36.44	0.00
SHERIDAN	HIAWATHA ELEM	0.00	0.00	0.00
SHERIDAN	MEDICINE LK EL	83.00	83.00	0.00
SHERIDAN	MEDICINE LK H S	30.34	30.34	0.00
SHERIDAN	OUTLOOK ELEM	87.55	87.55	0.00
SHERIDAN	OUTLOOK H S	56.59	57.25	0.66
SHERIDAN	PLENTYWOOD ELEM	40.36	47.88	7.52
SHERIDAN	PLENTYWOOD H S	60.58	63.61	3.03
SHERIDAN	WESTBY ELEM	46.44	46.44	0.00
SHERIDAN	WESTBY H S	48.80	48.80	0.00
SILVER BOW	BUTTE ELEM	117.37	126.42	9.05
SILVER BOW	BUTTE H S	60.14	65.10	4.96
SILVER BOW	DIVIDE ELEM	52.52	52.52	0.00
SILVER BOW	MELROSE ELEM	88.45	92.71	4.26
SILVER BOW	RAMSAY ELEM	41.42	41.42	0.00
STILLWATER	ABSAROKEE ELEM	52.77	61.05	8.28
STILLWATER	ABSAROKEE H S	22.31	26.47	4.16
STILLWATER	COLUMBUS ELEM	43.56	51.68	8.12
STILLWATER	COLUMBUS H S	20.77	24.64	3.87
STILLWATER	FISHTAIL ELEM	13.46	13.46	0.00
STILLWATER	MOLT ELEM	28.50	28.50	0.00
STILLWATER	NYE ELEM	23.47	23.47	0.00
STILLWATER	PARK CITY ELEM	56.98	64.46	7.48
STILLWATER	PARK CITY H S	22.65	26.87	4.22
STILLWATER	RAPELJE ELEM	55.17	55.17	0.00
STILLWATER	RAPELJE H S	35.06	38.62	3.56
STILLWATER	REEDPOINT ELEM	78.81	85.12	6.32
STILLWATER	REEDPOINT H S	13.35	15.84	2.49
SWEET GRASS	BIG TIMBER ELEM	56.95	66.20	9.25
SWEET GRASS	BRIDGE ELEM	63.36	71.04	7.67
SWEET GRASS	GREYCLIFF ELEM	24.90	24.90	0.00
SWEET GRASS	MCLEOD ELEM	17.71	17.71	0.00
SWEET GRASS	MELVILLE ELEM	32.35	32.35	0.00
SWEET GRASS	SWEET GRASS CO HS	32.38	37.95	5.58
TETON	BYNUM ELEM	9.18	10.89	1.71
TETON	CHOTEAU ELEM	45.82	54.36	8.54
TETON	CHOTEAU H S	53.41	57.70	4.29
TETON	DUTTON ELEM	55.63	55.63	0.00
TETON	DUTTON H S	48.18	52.66	4.48
TETON	FAIRFIELD ELEM	65.67	73.25	7.58
TETON	FAIRFIELD H S	23.59	27.99	4.40
TETON	GOLDEN RIDGE ELEM	50.51	58.88	8.37
TETON	GREENFIELD ELEM	72.79	80.47	7.68

OFFICE OF THE LEGISLATIVE AUDITOR — CCM667_2.WK1
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE — 04/21/93
SCHOOL FUNDING ANALYSIS — 08:57 AM
SORT SEQUENCE: COUNTY AND SCHOOL DISTRICT
SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED; SPECIAL ED COSTS INCLUDED IN BUDGETS

COUNTY	DISTRICT	HOUSE BILL 667 SENATE $7 MILLION GTB 191%	HOUSE $40 MILLION GTB 161%	IMPACT ON MILLS OF SAVING ADDITIONAL $33 MILLION
TETON	PENDROY ELEM	14.45	14.45	0.00
TETON	POWER ELEM	70.06	79.90	9.84
TETON	POWER H S	23.76	28.19	4.43
TOOLE	GALATA ELEM	5.80	5.80	0.00
TOOLE	SHELBY ELEM	69.22	75.77	6.54
TOOLE	SHELBY H S	36.37	38.74	2.37
TOOLE	SUNBURST ELEM	31.46	33.91	2.45
TOOLE	SUNBURST H S	47.88	50.06	2.17
TREASURE	HYSHAM ELEM	45.63	45.63	0.00
TREASURE	HYSHAM H S	46.37	51.35	4.98
VALLEY	FRAZER ELEM	48.99	58.11	9.13
VALLEY	FRAZER H S	30.71	32.53	1.82
VALLEY	FT PECK ELEM	380.86	380.86	0.00
VALLEY	GLASGOW ELEM	88.61	97.03	8.42
VALLEY	GLASGOW H S	60.93	64.97	4.05
VALLEY	HINSDALE ELEM	42.35	42.35	0.00
VALLEY	HINSDALE H S	39.73	39.73	0.00
VALLEY	LUSTRE ELEM	28.05	28.05	0.00
VALLEY	NASHUA ELEM	65.15	74.82	9.67
VALLEY	NASHUA H S	41.83	46.94	5.11
VALLEY	OPHEIM ELEM	73.77	73.77	0.00
VALLEY	OPHEIM H S	59.09	61.45	2.36
WHEATLAND	HARLOWTON ELEM	38.97	46.23	7.26
WHEATLAND	HARLOWTON H S	32.42	37.02	4.61
WHEATLAND	JUDITH GAP ELEM	54.98	65.08	10.10
WHEATLAND	JUDITH GAP H S	21.86	25.94	4.07
WHEATLAND	SHAWMUT ELEM	18.45	18.45	0.00
WHEATLAND	TWO DOT ELEM	4.95	4.95	0.00
WIBAUX	WIBAUX ELEM	53.48	53.48	0.00
WIBAUX	WIBAUX H S	33.82	33.82	0.00
YELLOWSTONE	BILLINGS ELEM	51.39	60.97	9.58
YELLOWSTONE	BILLINGS H S	23.67	28.08	4.41
YELLOWSTONE	BLUE CREEK ELEM	32.72	38.82	6.10
YELLOWSTONE	BROADVIEW ELEM	27.57	27.57	0.00
YELLOWSTONE	BROADVIEW H S	24.64	24.64	0.00
YELLOWSTONE	CANYON CRK ELEM	48.28	57.28	9.00
YELLOWSTONE	CUSTER ELEM	73.69	73.69	0.00
YELLOWSTONE	CUSTER H S	73.21	73.35	0.13
YELLOWSTONE	ELDER GROVE ELEM	41.19	48.87	7.68
YELLOWSTONE	ELYSIAN ELEM	16.10	16.10	0.00
YELLOWSTONE	HUNTLEY PROJ ELEM	46.07	54.65	8.58
YELLOWSTONE	HUNTLEY PROJ HS	22.45	26.63	4.18
YELLOWSTONE	INDEPENDENT ELEM	47.10	55.88	8.78
YELLOWSTONE	LAUREL ELEM	68.99	78.13	9.14
YELLOWSTONE	LAUREL H S	17.55	20.82	3.27
YELLOWSTONE	LOCKWOOD ELEM	44.09	52.31	8.22
YELLOWSTONE	MORIN ELEM	13.44	13.44	0.00
YELLOWSTONE	PIONEER ELEM	77.90	86.31	8.42
YELLOWSTONE	SHEPHERD ELEM	35.78	42.45	6.67
YELLOWSTONE	SHEPHERD H S	24.69	29.29	4.60

7 per Conf Comm.

SENATE TAXATION
EXHIBIT NO. 3
DATE 4-21-93
BILL NO. HB667

OFFICE OF THE LEGISLATIVE AUDITOR
EXPLANATION OF VARIOUS COLUMNS ON
THE CONCM667.WK1 SPREADSHEET

COLUMN TITLE	EXPLANATION
Column 1: Enrollment/WTD GTB 191%/CUR GTB 190%	This column shows the change in mills in using the Weighted GTB system and Enrollment. A positive number means the district will levy that many more mills under the Weighted GTB system. A negative number means a district will levy that many fewer mills under Weighted GTB. The percentages in the column title indicate the GTB level under each system.
Column 2: ANB/WTD GTB 199%/CUR GTB 197%	Numbers in this column mean the same thing as above. The difference is this column uses ANB rather than enrollment.
Column 5: Change in Percent of Max	The changes are percentage points. A positive change indicates the district has more budget flexibility under enrollment; i.e. the district's enrollment figure is higher than its ANB figure.
Column 6: Chnge in Mills/191% vs 194%/GTB Percent	This column indicates the impact (on mills) of changing from 1000/800 stop loss to 1500/800 stop loss under the Weighted GTB system. A negative number indicates that many fewer mills would be levied under a 1500/800 stop loss. The GTB percentages noted in the column title keep the same amount of state support under either stop loss.
Column 7: Impact on Budget of Changing to 1500/800	Essentially self-explanatory. A negative amount indicates a lower budget under a 1500/800 stop loss. One district is impacted.
Column 10: Chnge in Percent of Max	This column indicates the impact on budget flexibility when moving from 1000/800 stop loss to 1500/800 stop loss. The only districts impacted are those with enrollment figures greater than 1000.
Column 11: Chnge in Mills 189% vs 192%/GTB Percent	This column indicates the impact (on mills) of changing from 1000/800 stop loss to 1500/800 stop loss under the Current GTB system. A negative number indicates that many fewer mills would be levied under a 1500/800 stop loss. The GTB percentages noted in the column title keep the same amount of state support under either stop loss.
Column 12: Impact on Budget of Changing to 1500/800	See explanation for Column 7.

FFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
CHOOL FUNDING ANALYSIS
ORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
SPECIAL ED COSTS INCLUDED IN BUDGETS

CONCM667.WK1
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		HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB					WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS		USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS			CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS	
OUNTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
EAVERHEAD	BEAVERHEAD CO HS	2.66	1.93	75.95%	76.37%	0.42%	-0.38	$0	75.95%	75.95%	0.00%	-0.35	$0
EAVERHEAD	DILLON ELEM	5.86	1.71	82.77%	76.97%	-5.80%	-1.01	$0	82.77%	82.77%	0.00%	-0.68	$0
EAVERHEAD	GRANT ELEM	1.19	1.21	71.33%	72.72%	1.39%	0.00	$0	71.33%	71.33%	0.00%	0.00	$0
EAVERHEAD	JACKSON ELEM	5.11	-0.87	100.00%	73.65%	-26.35%	0.00	$0	100.00%	100.00%	0.00%	-0.48	$0
EAVERHEAD	LIMA ELEM	-10.19	-7.50	76.04%	82.81%	6.77%	-0.72	$0	76.04%	76.04%	0.00%	-0.71	$0
EAVERHEAD	LIMA H S	-17.33	-17.50	76.65%	75.69%	-0.96%	-0.39	$0	76.65%	76.65%	0.00%	-0.66	$0
EAVERHEAD	POLARIS ELEM	-7.99	-6.44	63.05%	67.29%	4.24%	-0.62	$0	63.05%	63.05%	0.00%	0.00	$0
EAVERHEAD	REICHLE ELEM	2.07	-2.18	101.69%	88.24%	-13.44%	-0.41	$0	101.69%	101.69%	0.00%	-0.28	$0
EAVERHEAD	WISDOM ELEM	1.57	1.76	79.88%	81.43%	1.56%	-0.76	$0	79.88%	79.88%	0.00%	-0.56	$0
EAVERHEAD	WISE RIVER ELEM	5.33	-0.62	82.18%	72.80%	-9.39%	-0.92	$0	82.18%	82.18%	0.00%	-0.62	$0
IG HORN	COMMUNITY ELEM	0.46	0.56	99.75%	72.93%	-26.82%	0.00	$0	99.75%	99.75%	0.00%	0.00	$0
IG HORN	HARDIN ELEM	-0.00	1.23	100.00%	100.14%	0.14%	-1.11	$0	100.00%	100.00%	0.00%	-0.85	$0
IG HORN	HARDIN H S	0.73	0.61	120.79%	124.43%	3.64%	-0.20	$0	120.79%	120.79%	0.00%	-0.19	$0
IG HORN	LODGE GRASS ELEM	0.00	0.00	161.01%	164.66%	3.65%	0.00	$0	161.01%	161.01%	0.00%	0.00	$0
IG HORN	LODGE GRASS H S	0.00	0.00	163.75%	185.88%	22.14%	0.00	$0	163.75%	163.75%	0.00%	0.00	$0
IG HORN	PLENTY COUPS HS	-31.59	-20.40	116.15%	140.69%	24.54%	-0.47	$0	116.15%	116.15%	0.00%	-0.98	$0
IG HORN	PRYOR ELEM	-23.35	-21.91	116.91%	118.74%	1.82%	-1.19	$0	116.91%	116.91%	0.00%	-1.28	$0
IG HORN	SQUIRREL CRK ELEM	0.00	0.00	218.78%	141.45%	-77.33%	0.00	$0	218.78%	218.78%	0.00%	0.00	$0
IG HORN	WYOLA ELEM	-1.05	-18.74	198.78%	154.00%	-44.78%	-1.16	$0	198.78%	198.78%	0.00%	-0.90	$0
LAINE	BEAR PAW ELEM	0.00	0.00	100.58%	91.05%	-9.53%	0.00	$0	100.58%	100.58%	0.00%	0.00	$0
LAINE	CHINOOK ELEM	1.22	-0.02	94.47%	89.04%	-5.43%	-0.37	$0	94.47%	94.47%	0.00%	-0.26	$0
LAINE	CHINOOK H S	-0.06	-0.20	91.06%	92.13%	1.07%	-0.11	$0	91.06%	91.06%	0.00%	-0.12	$0
AINE	CLEVELAND ELEM	-0.00	-0.00	100.00%	86.41%	-13.59%	0.00	$0	100.00%	100.00%	0.00%	0.00	$0
AINE	HARLEM ELEM	-0.78	1.14	111.79%	117.17%	5.38%	-1.12	$0	111.79%	111.79%	0.00%	-0.87	$0
INE	HARLEM H S	-0.96	-2.13	119.50%	117.62%	-1.88%	-0.39	$0	119.50%	119.50%	0.00%	-0.41	$0
INE	HAYS-LODGE POLE ELEM	-4.25	1.34	149.52%	167.50%	17.98%	-1.09	$0	149.52%	149.52%	0.00%	-0.91	$0
INE	HAYS-LODGE POLE H S	-15.25	-10.30	113.29%	128.24%	14.95%	-0.48	$0	113.29%	113.29%	0.00%	-0.73	$0
NE	LLOYD ELEM	0.00	0.00	138.11%	107.90%	-30.21%	0.00	$0	138.11%	138.11%	0.00%	0.00	$0
NE	N HARLEM COLONY ELEM	-8.07	-13.26	79.01%	71.14%	-7.87%	-1.06	$0	79.01%	79.01%	0.00%	-0.94	$0
E	TURNER ELEM	-13.21	-7.88	98.70%	104.27%	5.58%	-0.94	$0	98.70%	98.70%	0.00%	-0.93	$0
E	TURNER H S	-21.94	-29.57	85.30%	87.60%	2.30%	-0.38	$0	85.30%	85.30%	0.00%	-0.73	$0
	ZURICH ELEM	0.80	1.34	84.60%	81.26%	-3.34%	0.00	$0	84.60%	84.60%	0.00%	0.00	$0
WATER	BROADWATER CO HS	-1.51	-0.52	67.84%	72.01%	4.17%	-0.24	$0	67.84%	67.84%	0.00%	-0.15	$0
VATER	TOWNSEND ELEM	1.09	0.77	69.76%	69.88%	0.13%	-0.72	$0	69.76%	69.76%	0.00%	-0.54	$0
	BELFRY ELEM	0.00	0.00	153.71%	165.52%	11.80%	0.00	$0	153.71%	153.71%	0.00%	0.00	$0
	BELFRY H S	0.00	0.00	161.63%	145.84%	-15.79%	0.00	$0	161.63%	161.63%	0.00%	0.00	$0
	BOYD ELEM	0.00	-2.44	72.88%	70.02%	-2.86%	-0.01	$0	72.88%	72.88%	0.00%	0.00	$0
	BRIDGER ELEM	-0.05	-2.48	91.61%	86.33%	-5.28%	-0.67	$0	91.61%	91.61%	0.00%	-0.51	$0

THE LEGISLATIVE AUDITOR
REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
UNDING ANALYSIS
UENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
SPECIAL ED COSTS INCLUDED IN BUDGETS

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DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ANB WTD GTB 199% CUR GTB 197%	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: PERCENT OF MAX (ENROLLMENT)	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: PERCENT OF MAX (ANB)	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1500/800)	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: IMPACT ON BUDGET OF CHANGING TO 1500/800
BRIDGER H S	-5.74	-5.20	95.39%	98.50%	3.11%	-0.26	$0	95.39%	95.39%	0.00%	-0.36	$0
EDGAR ELEM	0.00	0.00	138.94%	127.44%	-11.50%	0.00	$0	138.94%	138.94%	0.00%	0.00	$0
FROMBERG ELEM	-4.98	-7.11	84.33%	81.55%	-2.78%	-0.96	$0	84.33%	84.33%	0.00%	-0.82	$0
FROMBERG H S	-9.98	-10.09	85.06%	85.88%	0.82%	-0.40	$0	85.06%	85.06%	0.00%	-0.57	$0
JACKSON ELEM	8.22	-5.58	98.76%	76.47%	-22.29%	-1.14	$0	98.76%	98.76%	0.00%	-0.75	$0
JOLIET ELEM	-1.82	-1.52	74.50%	75.87%	1.37%	-0.81	$0	74.50%	74.50%	0.00%	-0.65	$0
JOLIET H S	-2.07	-2.61	73.66%	73.92%	0.26%	-0.36	$0	73.66%	73.66%	0.00%	-0.39	$0
LUTHER ELEM	-1.42	-1.82	79.29%	79.29%	0.00%	-0.84	$0	79.29%	79.29%	0.00%	-0.51	$0
RED LODGE ELEM	-0.77	0.54	71.95%	73.92%	1.97%	-0.84	$0	71.95%	71.95%	0.00%	-0.66	$0
RED LODGE H S	-0.14	-1.22	73.36%	72.76%	-0.60%	-0.39	$0	73.36%	73.36%	0.00%	-0.39	$0
ROBERTS ELEM	-10.30	-10.61	80.50%	80.34%	-0.16%	-1.03	$0	80.50%	80.50%	0.00%	-0.95	$0
ROBERTS H S	-15.32	-15.42	75.35%	78.87%	3.52%	-0.36	$0	75.35%	75.35%	0.00%	-0.60	$0
ALBION ELEM	0.00	0.00	81.86%	68.75%	-13.11%	0.00	$0	81.86%	81.86%	0.00%	0.00	$0
ALZADA ELEM	0.00	0.00	85.11%	81.09%	-4.02%	0.00	$0	85.11%	85.11%	0.00%	0.00	$0
CARTER CO H S	0.00	0.00	111.87%	108.31%	-3.55%	0.00	$0	111.87%	111.87%	0.00%	0.00	$0
EKALAKA ELEM	-6.36	-1.99	104.45%	118.98%	14.54%	-0.58	$0	104.45%	104.45%	0.00%	-0.55	$0
HAMMOND-HAWKS HOME	1.43	1.54	85.51%	79.44%	-6.07%	0.00	$0	85.51%	85.51%	0.00%	0.00	$0
JOHNSTON ELEM	0.00	0.00	76.85%	71.07%	-5.78%	0.00	$0	76.85%	76.85%	0.00%	0.00	$0
PINE HILL-PLAINVW EL	0.00	-0.63	81.01%	72.87%	-8.13%	0.00	$0	81.01%	81.01%	0.00%	0.00	$0
RIDGE ELEM	0.00	-2.01	99.23%	88.38%	-10.85%	0.00	$0	99.23%	99.23%	0.00%	0.00	$0
BELT ELEM	-1.15	-1.07	82.90%	83.88%	0.98%	-0.94	$0	82.90%	82.90%	0.00%	-0.74	$0
BELT H S	-6.72	-5.53	90.60%	95.65%	5.05%	-0.36	$0	90.60%	90.60%	0.00%	-0.47	$0
CASCADE ELEM	-3.42	-0.75	71.94%	76.76%	4.82%	-0.70	$0	71.94%	71.94%	0.00%	-0.59	$0
CASCADE H S	-3.54	-3.25	76.84%	80.72%	3.88%	-0.34	$0	76.84%	76.84%	0.00%	-0.40	$0
CENTERVILLE EL	-0.04	-1.31	82.72%	81.53%	-1.19%	-1.02	$0	82.72%	82.72%	0.00%	-0.78	$0
CENTERVILLE H S	-6.76	-5.25	71.06%	78.38%	7.32%	-0.30	$0	71.06%	71.06%	0.00%	-0.41	$0
DEEP CREEK ELEM	0.00	0.00	165.24%	105.93%	-59.31%	0.00	$0	165.24%	165.24%	0.00%	0.00	$0
GREAT FALLS EL	5.90	4.02	89.29%	87.35%	-1.94%	4.85	$0	89.29%	90.81%	1.52%	4.38	$0
GREAT FALLS H S	4.50	4.31	92.79%	96.45%	3.66%	-0.44	$0	92.79%	92.79%	0.00%	-0.38	$0
SIMMS H S	-3.87	-2.66	80.62%	85.77%	5.15%	-0.48	$0	80.62%	80.62%	0.00%	-0.55	$0
SUN RIVER VALLEY ELM	1.04	2.04	92.90%	96.02%	3.12%	-1.06	$0	92.90%	92.90%	0.00%	-0.80	$0
ULM ELEM	-9.68	-1.09	72.93%	89.32%	16.38%	-0.75	$0	72.93%	72.93%	0.00%	-0.73	$0
VAUGHN ELEM	-0.95	-2.33	81.44%	80.29%	-1.15%	-1.16	$0	81.44%	81.44%	0.00%	-0.91	$0
BIG SANDY ELEM	0.68	0.71	102.84%	100.00%	-2.84%	0.00	$0	102.84%	102.84%	0.00%	0.00	$0
BIG SANDY H S	-1.62	-1.75	100.00%	103.86%	3.86%	-0.33	$0	100.00%	100.00%	0.00%	0.00	$0
CARTER ELEM	0.00	0.00	194.51%	130.45%	-64.06%	0.00	$0	194.51%	194.51%	0.00%	0.00	$0
FT BENTON ELEM	3.59	0.06	92.02%	86.02%	-6.00%	-0.94	$0	92.02%	92.02%	0.00%	-0.67	$0
FT BENTON H S	-0.78	-1.26	87.65%	88.79%	1.14%	-0.42	$0	87.65%	87.65%	0.00%	-0.44	$0

FFICE OF THE LEGISLATIVE AUDITOR
AT THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
CHOOL FUNDING ANALYSIS
RT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
SPECIAL ED COSTS INCLUDED IN BUDGETS

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Exhibit #3
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		HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB					WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS		USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS			CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS	
OUNTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
IOTEAU	GERALDINE ELEM	0.09	0.18	118.58%	110.90%	−7.68%	0.00	$0	118.58%	118.58%	0.00%	0.00	$0
IOTEAU	GERALDINE H S	−0.73	−0.87	117.01%	121.13%	4.12%	−0.13	$0	117.01%	117.01%	0.00%	0.00	$0
IOTEAU	HIGHWOOD ELEM	−2.79	−2.29	131.34%	134.25%	2.91%	−0.55	$0	131.34%	131.34%	0.00%	−0.47	$0
IOTEAU	HIGHWOOD H S	−4.90	−4.45	92.41%	94.40%	1.99%	−0.14	$0	92.41%	92.41%	0.00%	−0.22	$0
IOTEAU	KNEES ELEM	0.00	0.00	157.72%	100.00%	−57.72%	0.00	$0	157.72%	157.72%	0.00%	0.00	$0
IOTEAU	LOMA ELEM	0.00	0.00	133.05%	100.00%	−33.05%	0.00	$0	133.05%	133.05%	0.00%	0.00	$0
IOTEAU	WARRICK ELEM	0.00	0.00	100.87%	110.81%	9.94%	0.00	$0	100.87%	100.87%	0.00%	0.00	$0
JSTER	COTTONWOOD EL	9.33	−3.68	132.01%	100.52%	−31.49%	−1.00	$0	132.01%	132.01%	0.00%	−0.62	$0
JSTER	CUSTER CO H S	1.90	2.12	79.42%	83.18%	3.76%	−0.38	$0	79.42%	79.42%	0.00%	−0.36	$0
JSTER	HKT – BASIN SPR CRK EL	0.00	0.00	100.59%	70.02%	−30.57%	0.00	$0	100.59%	100.59%	0.00%	0.00	$0
JSTER	KINSEY ELEM	−0.03	1.16	79.50%	82.64%	3.14%	−0.92	$0	79.50%	79.50%	0.00%	−0.71	$0
JSTER	KIRCHER ELEM	0.56	0.53	80.31%	83.23%	2.91%	0.00	$0	80.31%	80.31%	0.00%	0.00	$0
JSTER	MILES CITY ELEM	1.66	0.93	80.52%	80.26%	−0.26%	−0.98	$0	80.52%	80.52%	0.00%	−0.72	$0
JSTER	MOON CREEK EL	0.00	0.00	85.34%	60.27%	−25.07%	0.00	$0	85.34%	85.34%	0.00%	0.00	$0
JSTER	S H – FOSTER CRK ELEM	−3.26	0.00	65.43%	74.28%	8.85%	−0.42	$0	65.43%	65.43%	0.00%	0.00	$0
JSTER	S Y ELEM	0.00	−0.08	62.36%	60.01%	−2.36%	0.00	$0	62.36%	62.36%	0.00%	0.00	$0
JSTER	TRAIL CREEK EL	0.00	−3.09	69.96%	64.60%	−5.36%	0.00	$0	69.96%	69.96%	0.00%	0.00	$0
JSTER	TWIN BUTTES EL	0.00	0.00	100.07%	100.07%	0.00%	0.00	$0	100.07%	100.07%	0.00%	0.00	$0
JSTER	WHITNEY CRK EL	−0.16	−11.86	97.50%	80.01%	−17.50%	−0.83	$0	97.50%	97.50%	0.00%	0.00	$0
ANIELS	FLAXVILLE ELEM	0.29	−0.13	138.24%	122.05%	−16.19%	0.00	$0	138.24%	138.24%	0.00%	0.00	$0
ANIELS	FLAXVILLE H S	−9.08	−11.90	91.78%	85.53%	−6.25%	−0.19	$0	91.78%	91.78%	0.00%	−0.33	$0
ANIELS	PEERLESS ELEM	0.00	0.00	154.03%	128.84%	−25.19%	0.00	$0	154.03%	154.03%	0.00%	0.00	$0
ANIELS	PEERLESS H S	−6.39	−6.38	101.59%	101.59%	0.00%	−0.14	$0	101.59%	101.59%	0.00%	−0.27	$0
ANIELS	SCOBEY ELEM	−0.29	−0.25	100.00%	100.00%	0.00%	−0.55	$0	100.00%	100.00%	0.00%	−0.43	$0
ANIELS	SCOBEY H S	−3.57	−2.78	105.42%	111.20%	5.77%	−0.23	$0	105.42%	105.42%	0.00%	−0.29	$0
AWSON	BLOOMFIELD ELEM	0.74	0.82	73.32%	77.45%	4.13%	0.00	$0	73.32%	73.32%	0.00%	0.00	$0
AWSON	DAWSON CO H S	1.49	1.13	93.79%	95.16%	1.37%	−0.23	$0	93.79%	93.79%	0.00%	−0.21	$0
AWSON	DEER CREEK ELEM	0.44	0.38	84.84%	90.66%	5.82%	0.00	$0	84.84%	84.84%	0.00%	0.00	$0
AWSON	GLENDIVE ELEM	3.59	1.11	85.10%	81.01%	−4.08%	−0.86	$0	85.10%	85.10%	0.00%	−0.60	$0
AWSON	LINDSAY ELEM	0.00	0.00	164.61%	102.35%	−62.26%	0.00	$0	164.61%	164.61%	0.00%	0.00	$0
AWSON	RICHEY ELEM	0.26	−5.39	149.04%	122.63%	−26.41%	−0.09	$0	149.04%	149.04%	0.00%	0.00	$0
AWSON	RICHEY H S	−10.92	−9.58	92.93%	97.05%	4.12%	−0.30	$0	92.93%	92.93%	0.00%	−0.47	$0
EER LODGE	ANACONDA ELEM	0.54	−0.24	85.77%	84.72%	−1.05%	−0.67	$0	85.77%	85.77%	0.00%	−0.51	$0
EER LODGE	ANACONDA H S	1.63	0.72	88.11%	85.92%	−2.19%	−0.25	$0	88.11%	88.11%	0.00%	−0.22	$0
ALLON	BAKER ELEM	0.00	0.00	105.82%	104.56%	−1.27%	0.00	$0	105.82%	105.82%	0.00%	0.00	$0
ALLON	BAKER H S	0.00	0.00	141.75%	140.46%	−1.28%	0.00	$0	141.75%	141.75%	0.00%	0.00	$0
ALLON	FERTILE PRAIRIE EL	0.00	0.00	104.95%	80.32%	−24.63%	0.00	$0	104.95%	104.95%	0.00%	0.00	$0
ALLON	PLEVNA ELEM	0.00	0.00	149.51%	143.20%	−6.31%	0.00	$0	149.51%	149.51%	0.00%	0.00	$0

CE OF THE LEGISLATIVE AUDITOR
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OL FUNDING ANALYSIS
SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
SPECIAL ED COSTS INCLUDED IN BUDGETS

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		HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB					WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS		USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS			CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS	
NTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
ON	PLEVNA H S	0.00	0.00	131.14%	126.41%	-4.74%	0.00	$0	131.14%	131.14%	0.00%	0.00	$0
US	AYERS ELEM	-6.88	-8.32	75.25%	71.49%	-3.76%	-0.60	$0	75.25%	75.25%	0.00%	-0.57	$0
US	COTTONWOOD ELEM	-17.76	-21.32	84.22%	76.66%	-7.56%	-0.84	$0	84.22%	84.22%	0.00%	-0.93	$0
US	DEERFIELD ELEM	-6.50	-5.21	77.31%	81.15%	3.84%	-0.69	$0	77.31%	77.31%	0.00%	-0.63	$0
US	DENTON ELEM	-6.61	-3.80	80.92%	86.13%	5.21%	-0.90	$0	80.92%	80.92%	0.00%	-0.80	$0
US	DENTON H S	-11.94	-11.35	73.91%	81.07%	7.16%	-0.31	$0	73.91%	73.91%	0.00%	-0.50	$0
US	FERGUS H S	2.04	2.01	76.06%	78.51%	2.46%	-0.41	$0	76.06%	76.06%	0.00%	-0.39	$0
US	GRASS RANGE EL	-0.24	-3.30	89.95%	83.52%	-6.43%	-0.68	$0	89.95%	89.95%	0.00%	-0.53	$0
US	GRASS RANGE H S	-18.33	-14.80	94.85%	100.00%	5.15%	-0.30	$0	94.85%	94.85%	0.00%	-0.60	$0
US	KING COLONY EL	0.00	0.00	93.71%	93.71%	0.00%	0.00	$0	93.71%	93.71%	0.00%	0.00	$0
US	LEWISTOWN ELEM	-0.08	0.93	74.30%	76.35%	2.05%	-0.92	$0	74.30%	74.30%	0.00%	-0.71	$0
US	MAIDEN ELEM	-9.93	-9.81	92.65%	92.65%	0.00%	-0.43	$0	92.65%	92.65%	0.00%	-0.49	$0
US	MOORE ELEM	-1.50	-5.20	94.84%	89.15%	-5.68%	-1.01	$0	94.84%	94.84%	0.00%	-0.80	$0
US	MOORE H S	-6.98	-12.53	95.18%	83.86%	-11.31%	-0.44	$0	95.18%	95.18%	0.00%	-0.56	$0
US	ROY ELEM	-0.09	-1.37	154.04%	138.37%	-15.67%	-0.07	$0	154.04%	154.04%	0.00%	-0.06	$0
US	ROY H S	0.00	0.00	139.08%	134.19%	-4.89%	0.00	$0	139.08%	139.08%	0.00%	0.00	$0
US	SPRING CRK COLONY EL	-28.66	-27.98	100.00%	100.00%	0.00%	-0.63	$0	100.00%	100.00%	0.00%	-0.93	$0
US	WINIFRED ELEM	-0.48	-1.30	100.00%	99.69%	-0.31%	-0.37	$0	100.00%	100.00%	0.00%	-0.29	$0
US	WINIFRED H S	-11.11	-9.54	94.92%	99.41%	4.49%	-0.25	$0	94.92%	94.92%	0.00%	-0.43	$0
THEAD	BATAVIA ELEM	-8.51	-4.97	82.75%	88.28%	5.53%	-1.08	$0	82.75%	82.75%	0.00%	-0.96	$0
THEAD	BIGFORK ELEM	2.60	0.45	77.07%	74.74%	-2.33%	-1.03	$0	77.07%	77.07%	0.00%	-0.75	$0
THEAD	BIGFORK H S	-0.92	0.78	64.75%	69.64%	4.89%	-0.28	$0	64.75%	64.75%	0.00%	-0.30	$0
THEAD	CAYUSE PRAIRIE ELEM	4.21	-0.03	85.34%	79.74%	-5.60%	-1.12	$0	85.34%	85.34%	0.00%	-0.79	$0
THEAD	COLUMBIA FALLS ELEM	1.05	1.06	76.28%	77.19%	0.91%	-0.82	$0	76.28%	76.35%	0.08%	-0.64	$0
THEAD	COLUMBIA FALLS H S	3.58	2.42	75.05%	74.37%	-0.68%	-0.36	$0	75.05%	75.05%	0.00%	-0.31	$0
THEAD	CRESTON ELEM	0.74	2.31	79.87%	83.30%	3.43%	-1.08	$0	79.87%	79.87%	0.00%	-0.82	$0
THEAD	DEER PARK ELEM	-4.31	-4.93	87.77%	87.51%	-0.26%	-1.12	$0	87.77%	87.77%	0.00%	-0.93	$0
THEAD	EVERGREEN ELEM	0.35	-0.38	78.38%	78.12%	-0.26%	-1.02	$0	78.38%	78.38%	0.00%	-0.78	$0
THEAD	FAIR-MONT-EGAN ELEM	-7.40	-2.37	71.06%	78.32%	7.25%	-0.86	$0	71.06%	71.06%	0.00%	-0.78	$0
THEAD	FLATHEAD H S	4.66	4.65	78.25%	81.06%	2.81%	-0.42	$0	78.25%	78.25%	0.00%	-0.36	$0
THEAD	HELENA FLATS EL	-1.28	-1.49	78.33%	78.80%	0.47%	-0.98	$0	78.33%	78.33%	0.00%	-0.78	$0
THEAD	KALISPELL ELEM	1.40	0.59	81.10%	80.70%	-0.41%	0.28	$0	81.10%	81.58%	0.47%	0.25	$0
THEAD	KILA ELEM	-4.56	3.50	69.12%	80.29%	11.17%	-0.76	$0	69.12%	69.12%	0.00%	-0.65	$0
THEAD	MARION ELEM	-6.72	-5.95	84.29%	85.91%	1.62%	-1.06	$0	84.29%	84.29%	0.00%	-0.92	$0
THEAD	OLNEY-BISSELL ELEM	-5.52	-3.35	75.76%	80.20%	4.44%	-0.97	$0	75.76%	75.76%	0.00%	-0.83	$0
THEAD	PLEASANT VALLEY ELEM	0.00	0.00	71.55%	71.55%	0.00%	0.00	$0	71.55%	71.55%	0.00%	0.00	$0
THEAD	SOMERS ELEM	-3.86	0.85	72.52%	79.92%	7.40%	-0.87	$0	72.52%	72.52%	0.00%	-0.73	$0
THEAD	SWAN RIVER EL	-1.29	-1.03	84.44%	85.86%	1.41%	-0.72	$0	84.44%	84.44%	0.00%	-0.57	$0

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		HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB					WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS		USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS			CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS	
OUNTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
ATHEAD	WEST GLACIER ELEM	0.40	0.42	100.00%	98.93%	-1.07%	0.00	$0	100.00%	100.00%	0.00%	0.00	$0
ATHEAD	WEST VALLEY EL	-3.26	-0.44	71.59%	75.21%	3.62%	-0.88	$0	71.59%	71.59%	0.00%	-0.73	$0
ATHEAD	WHITEFISH ELEM	-0.14	0.74	73.47%	75.19%	1.72%	-0.75	$0	73.47%	73.47%	0.00%	-0.58	$0
ATHEAD	WHITEFISH H S	0.55	1.79	71.18%	75.85%	4.68%	-0.30	$0	71.18%	71.18%	0.00%	-0.29	$0
ALLATIN	AMSTERDAM ELEM	0.53	0.53	93.44%	93.44%	0.00%	0.00	$0	93.44%	93.44%	0.00%	0.00	$0
ALLATIN	ANDERSON ELEM	-4.84	-0.54	73.37%	80.35%	6.99%	-0.93	$0	73.37%	73.37%	0.00%	-0.79	$0
ALLATIN	BELGRADE ELEM	1.46	1.42	75.01%	75.80%	0.79%	-0.96	$0	75.01%	75.01%	0.00%	-0.72	$0
ALLATIN	BELGRADE H S	0.24	1.15	67.66%	70.86%	3.20%	-0.32	$0	67.66%	67.66%	0.00%	-0.32	$0
ALLATIN	BOZEMAN ELEM	1.53	2.87	77.73%	80.89%	3.16%	0.21	$0	77.73%	78.56%	0.83%	-0.05	$0
ALLATIN	BOZEMAN H S	4.00	3.88	86.21%	89.80%	3.58%	-0.43	$0	86.21%	86.21%	0.00%	-0.37	$0
ALLATIN	COTTONWOOD EL	11.68	-9.06	100.00%	67.76%	-32.24%	-1.09	$0	100.00%	100.00%	0.00%	-0.65	$0
ALLATIN	GALLATIN GTWY ELEM	-8.58	-1.05	69.66%	81.74%	12.08%	-0.74	$0	69.66%	69.66%	0.00%	-0.70	$0
ALLATIN	LA MOTTE ELEM	0.03	2.30	76.32%	81.85%	5.53%	-0.77	$0	76.32%	76.32%	0.00%	-0.59	$0
ALLATIN	MALMBORG ELEM	0.00	0.00	73.75%	73.75%	0.00%	0.00	$0	73.75%	73.75%	0.00%	0.00	$0
ALLATIN	MANHATTAN ELEM	-0.39	-1.27	73.82%	73.41%	-0.42%	-0.94	$0	73.82%	73.82%	0.00%	-0.73	$0
ALLATIN	MANHATTAN H S	-1.95	-1.27	69.77%	72.53%	2.76%	-0.35	$0	69.77%	69.77%	0.00%	-0.38	$0
ALLATIN	MONFORTON EL	0.33	-2.39	82.96%	79.70%	-3.26%	-1.11	$0	82.96%	82.96%	0.00%	-0.85	$0
ALLATIN	OPHIR ELEM	0.29	0.24	81.16%	91.93%	10.77%	0.00	$0	81.16%	81.16%	0.00%	0.00	$0
ALLATIN	PASS CREEK ELEM	0.00	0.00	92.63%	64.60%	-28.03%	0.00	$0	92.63%	92.63%	0.00%	0.00	$0
ALLATIN	SPRINGHILL EL	-8.81	-9.12	82.28%	82.28%	0.00%	-1.15	$0	82.28%	82.28%	0.00%	-1.02	$0
ALLATIN	THREE FORKS EL	-1.32	-0.54	74.14%	76.05%	1.91%	-0.83	$0	74.14%	74.14%	0.00%	-0.66	$0
ALLATIN	THREE FORKS H S	0.71	-2.84	85.97%	76.69%	-9.28%	-0.48	$0	85.97%	85.97%	0.00%	-0.48	$0
ALLATIN	W YELLOWSTONE ELEM	-7.07	-3.06	91.33%	100.00%	8.67%	-0.83	$0	91.33%	91.33%	0.00%	-0.75	$0
ALLATIN	W YELLOWSTONE H S	-6.75	-6.14	102.09%	105.61%	3.52%	-0.31	$0	102.09%	102.09%	0.00%	-0.42	$0
ALLATIN	WILLOW CREEK EL	-2.07	-1.34	72.01%	75.45%	3.45%	-0.73	$0	72.01%	72.01%	0.00%	0.00	$0
ALLATIN	WILLOW CREEK HS	-38.77	-40.12	70.20%	74.71%	4.51%	-0.33	$0	70.20%	70.20%	0.00%	0.00	$0
ARFIELD	BENZIEN ELEM	-3.34	-12.23	83.93%	68.19%	-15.74%	-0.94	$0	83.93%	83.93%	0.00%	-0.78	$0
ARFIELD	BIG DRY CREEK ELEM	0.00	-0.00	101.57%	86.68%	-14.89%	0.00	$0	101.57%	101.57%	0.00%	0.00	$0
ARFIELD	BLACKFOOT ELEM	0.00	0.00	87.04%	68.68%	-18.36%	0.00	$0	87.04%	87.04%	0.00%	0.00	$0
ARFIELD	COHAGEN ELEM	1.19	1.15	83.41%	75.38%	-8.03%	0.00	$0	83.41%	83.41%	0.00%	0.00	$0
ARFIELD	GARFIELD CO H S	-6.61	-5.31	74.11%	81.83%	7.72%	-0.33	$0	74.11%	74.11%	0.00%	-0.44	$0
ARFIELD	JORDAN ELEM	-8.66	-3.79	71.25%	80.86%	9.61%	-0.70	$0	71.25%	71.25%	0.00%	-0.67	$0
ARFIELD	KESTER ELEM	-2.13	-9.80	123.19%	101.08%	-22.11%	-0.25	$0	123.19%	123.19%	0.00%	0.00	$0
ARFIELD	PINE GROVE ELEM	2.42	-7.29	72.98%	60.75%	-12.23%	-0.86	$0	72.98%	72.98%	0.00%	-0.62	$0
ARFIELD	ROSS ELEM	-11.25	-40.56	129.07%	90.19%	-38.88%	-0.77	$0	129.07%	129.07%	0.00%	-0.77	$0
ARFIELD	SAND SPRINGS EL	0.00	0.00	93.10%	76.40%	-16.71%	0.00	$0	93.10%	93.10%	0.00%	0.00	$0
ARFIELD	VAN NORMAN ELEM	-5.68	-4.28	70.83%	72.74%	1.91%	-0.87	$0	70.83%	70.83%	0.00%	-0.75	$0
LACIER	BROWNING ELEM	0.00	0.00	165.44%	167.32%	1.88%	0.00	$0	165.44%	165.53%	0.09%	0.00	$0

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SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

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SPECIAL ED ANB NOT INCLUDED BUT;
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NTY	DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
CIER	BROWNING H S	0.00	0.00	171.48%	202.06%	30.57%	0.00	$0	171.48%	171.48%	0.00%	0.00	$0
CIER	CUT BANK ELEM	1.75	0.45	99.39%	93.82%	-5.57%	-0.41	$0	99.39%	99.39%	0.00%	-0.29	$0
CIER	CUT BANK H S	-0.04	0.00	111.25%	119.69%	8.44%	-0.03	$0	111.25%	111.25%	0.00%	-0.03	$0
CIER	E GLACIER PARK ELEM	-1.99	0.28	128.84%	154.30%	25.46%	-0.31	$0	128.84%	128.84%	0.00%	-0.27	$0
CIER	MOUNTAIN VIEW ELEMENTAR	0.65	-1.23	76.67%	74.18%	-2.48%	-0.91	$0	76.67%	76.67%	0.00%	-0.69	$0
DEN VALLEY	LAVINA ELEM	-17.11	-5.56	69.80%	91.55%	21.75%	-0.76	$0	69.80%	69.80%	0.00%	0.00	$0
DEN VALLEY	LAVINA H S	-24.68	-24.46	69.39%	69.39%	0.00%	-0.32	$0	69.39%	69.39%	0.00%	-0.71	$0
DEN VALLEY	RYEGATE ELEM	0.46	0.46	107.07%	106.05%	-1.02%	0.00	$0	107.07%	107.07%	0.00%	0.00	$0
DEN VALLEY	RYEGATE H S	-3.22	-4.59	95.08%	96.50%	1.42%	-0.42	$0	95.08%	95.08%	0.00%	0.00	$0
NITE	DRUMMOND ELEM	-3.38	-3.50	83.49%	83.83%	0.34%	-0.77	$0	83.49%	83.49%	0.00%	-0.65	$0
NITE	DRUMMOND H S	-2.68	-2.71	73.86%	76.70%	2.84%	-0.19	$0	73.86%	73.86%	0.00%	-0.23	$0
NITE	GRANITE H S	-3.65	-6.47	91.54%	84.60%	-6.94%	-0.33	$0	91.54%	91.54%	0.00%	-0.39	$0
NITE	HALL ELEM	0.00	0.35	162.99%	100.00%	-62.99%	0.00	$0	162.99%	162.99%	0.00%	0.00	$0
NITE	PHILIPSBURG EL	-3.66	-0.74	76.64%	83.91%	7.28%	-0.70	$0	76.64%	76.64%	0.00%	-0.60	$0
	BLUE SKY ELEM	-0.25	-0.56	88.44%	88.74%	0.31%	-0.87	$0	88.44%	88.44%	0.00%	-0.67	$0
	BLUE SKY HIGH	-1.97	-2.16	124.49%	129.47%	4.98%	-0.21	$0	124.49%	124.49%	0.00%	0.00	$0
	BOX ELDER ELEM	-8.10	-3.33	134.16%	145.93%	11.77%	-1.14	$0	134.16%	134.16%	0.00%	-1.00	$0
	BOX ELDER H S	-19.23	-15.19	121.62%	133.24%	11.62%	-0.50	$0	121.62%	121.62%	0.00%	-0.81	$0
	COTTONWOOD ELEM	0.00	0.00	171.34%	143.80%	-27.54%	0.00	$0	171.34%	171.34%	0.00%	0.00	$0
	DAVEY ELEM	0.00	0.00	72.14%	115.49%	43.35%	0.00	$0	72.14%	72.14%	0.00%	0.00	$0
	GILDFORD COLONY ELEM	-1.78	-8.37	80.71%	69.99%	-10.72%	-0.96	$0	80.71%	80.71%	0.00%	-0.77	$0
	HAVRE ELEM	4.29	2.02	82.55%	79.40%	-3.15%	-0.30	$0	82.55%	82.70%	0.16%	-0.10	$0
	HAVRE H S	2.39	1.55	73.12%	72.28%	-0.84%	-0.23	$0	73.12%	73.12%	0.00%	-0.20	$0
	K-G ELEM	1.01	0.85	100.31%	114.06%	13.75%	0.00	$0	100.31%	100.31%	0.00%	0.00	$0
	K-G HIGH SCHOOL	-4.99	-5.08	112.95%	117.65%	4.71%	-0.27	$0	112.95%	112.95%	0.00%	0.00	$0
	ROCKY BOY ELEM	-0.58	0.22	119.61%	128.87%	9.26%	-0.28	$0	119.61%	119.61%	0.00%	-0.22	$0
	ROCKY BOY H S	0.00	0.00	122.19%	125.81%	3.62%	0.00	$0	122.19%	122.19%	0.00%	0.00	$0
ERSON	BASIN ELEM	0.00	0.00	83.26%	117.04%	33.78%	0.00	$0	83.26%	83.26%	0.00%	0.00	$0
ERSON	BOULDER ELEM	-1.81	-2.60	86.57%	86.12%	-0.45%	-1.07	$0	86.57%	86.57%	0.00%	-0.85	$0
ERSON	CARDWELL ELEM	0.28	0.26	77.33%	74.75%	-2.58%	0.00	$0	77.33%	77.33%	0.00%	0.00	$0
ERSON	CLANCY ELEM	-1.87	0.92	78.37%	83.84%	5.46%	-1.00	$0	78.37%	78.37%	0.00%	-0.80	$0
ERSON	JEFFERSON H S	-0.06	-0.14	73.72%	75.39%	1.67%	-0.35	$0	73.72%	73.72%	0.00%	-0.35	$0
ERSON	MONTANA CITY ELEM	-7.38	0.07	87.11%	100.00%	12.89%	-0.98	$0	87.11%	87.11%	0.00%	-0.87	$0
ERSON	WHITEHALL ELEM	0.78	0.63	72.81%	73.19%	0.38%	-0.83	$0	72.81%	72.81%	0.00%	-0.62	$0
ERSON	WHITEHALL H S	0.50	-0.91	74.55%	72.48%	-2.07%	-0.30	$0	74.55%	74.55%	0.00%	-0.30	$0
ITH BASIN	GEYSER ELEM	-13.63	-3.23	84.16%	100.00%	15.84%	-0.85	$0	84.16%	84.16%	0.00%	-0.86	$0
ITH BASIN	GEYSER H S	-20.12	-20.15	81.37%	81.37%	0.00%	-0.37	$0	81.37%	81.37%	0.00%	-0.69	$0
ITH BASIN	HOBSON ELEM	1.33	0.57	88.34%	91.24%	2.90%	-1.01	$0	88.34%	88.34%	0.00%	0.00	$0

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ANALYSIS
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Exhibit # 8
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HB-667

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	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
BASIN	HOBSON H S	-12.59	-14.97	100.00%	95.89%	-4.11%	-0.44	$0	100.00%	100.00%	0.00%	-0.64	$0
I BASIN	RAYNESFORD ELEM	4.82	-1.88	121.67%	83.79%	-37.88%	0.00	$0	121.67%	121.67%	0.00%	-0.33	$0
H BASIN	STANFORD ELEM	5.55	-2.10	92.86%	78.11%	-14.75%	-0.90	$0	92.86%	92.86%	0.00%	-0.60	$0
TH BASIN	STANFORD H S	-11.27	-10.21	83.67%	86.98%	3.30%	-0.40	$0	83.67%	83.67%	0.00%	-0.59	$0
KE	ARLEE ELEM	-1.45	-1.15	97.40%	99.05%	1.65%	-0.82	$0	97.40%	97.40%	0.00%	-0.65	$0
KE	ARLEE H S	0.22	-1.75	97.05%	90.68%	-6.37%	-0.29	$0	97.05%	97.05%	0.00%	-0.29	$0
KE	CHARLO ELEM	1.25	-0.30	90.23%	88.37%	-1.86%	-0.99	$0	90.23%	90.23%	0.00%	-0.74	$0
KE	CHARLO H S	-11.99	-8.51	73.76%	86.57%	12.81%	-0.35	$0	73.76%	73.76%	0.00%	-0.55	$0
KE	POLSON ELEM	0.93	1.28	74.07%	75.07%	1.00%	-0.85	$0	74.07%	74.07%	0.00%	-0.64	$0
KE	POLSON H S	3.14	1.52	72.03%	70.39%	-1.64%	-0.35	$0	72.03%	72.03%	0.00%	-0.30	$0
KE	RONAN ELEM	0.12	0.77	88.78%	91.89%	3.11%	-0.62	$0	88.78%	88.78%	0.00%	-0.48	$0
KE	RONAN H S	0.67	0.88	85.79%	90.43%	4.64%	-0.26	$0	85.79%	85.79%	0.00%	-0.26	$0
KE	ST IGNATIUS ELEM	1.18	0.46	98.82%	95.38%	-3.45%	-0.34	$0	98.82%	98.82%	0.00%	-0.24	$0
KE	ST IGNATIUS H S	-1.15	-1.09	106.93%	110.27%	3.34%	-0.30	$0	106.93%	106.93%	0.00%	-0.32	$0
KE	SWAN LAKE-SALMON ELEM	0.00	0.00	74.26%	83.87%	9.60%	0.00	$0	74.26%	74.26%	0.00%	0.00	$0
KE	UPPER WEST SHORE ELEM	0.36	0.36	65.87%	65.87%	0.00%	0.00	$0	65.87%	65.87%	0.00%	0.00	$0
KE	VALLEY VIEW ELEM	-2.41	-2.74	68.55%	68.55%	0.00%	-0.78	$0	68.55%	68.55%	0.00%	-0.64	$0
WIS & CLARK	AUCHARD CRK ELEM	-0.97	-1.13	61.82%	61.82%	0.00%	-0.38	$0	61.82%	61.82%	0.00%	-0.30	$0
WIS & CLARK	AUGUSTA ELEM	3.84	-3.77	102.96%	91.60%	-11.35%	-0.93	$0	102.96%	102.96%	0.00%	-0.66	$0
WIS & CLARK	AUGUSTA H S	-23.10	-16.32	80.92%	91.84%	10.91%	-0.32	$0	80.92%	80.92%	0.00%	-0.53	$0
WIS & CLARK	CRAIG ELEM	-0.00	-0.00	101.82%	83.44%	-18.38%	0.00	$0	101.82%	101.82%	0.00%	0.00	$0
WIS & CLARK	E HELENA ELEM	3.43	2.68	75.15%	75.00%	-0.15%	-0.99	$0	75.15%	75.15%	0.00%	-0.71	$0
WIS & CLARK	HELENA ELEM	3.18	3.24	85.45%	86.80%	1.34%	3.66	$0	85.45%	86.61%	1.15%	3.30	$0
WIS & CLARK	HELENA H S	4.06	4.13	89.36%	93.73%	4.37%	-0.45	$0	89.36%	89.36%	0.00%	-0.40	$0
WIS & CLARK	KESSLER ELEM	5.09	5.05	75.28%	76.24%	0.96%	-0.89	$0	75.28%	75.28%	0.00%	-0.60	$0
WIS & CLARK	LINCOLN ELEM	-4.79	-1.84	73.70%	79.20%	5.50%	-0.84	$0	73.70%	73.70%	0.00%	-0.72	$0
WIS & CLARK	LINCOLN HIGH SCHOOL	-15.47	-15.52	76.61%	79.19%	2.58%	-0.42	$0	76.61%	76.61%	0.00%	-0.67	$0
WIS & CLARK	TRINITY ELEM	0.00	0.00	110.20%	78.70%	-31.50%	0.00	$0	110.20%	110.20%	0.00%	0.00	$0
WIS & CLARK	WOLF CREEK ELEM	-0.00	-0.00	73.31%	80.79%	7.47%	0.00	$0	73.31%	73.31%	0.00%	0.00	$0
BERTY	CHESTER ELEM	0.73	-0.98	86.89%	79.85%	-7.04%	0.00	$0	86.89%	86.89%	0.00%	-0.43	$0
BERTY	CHESTER H S	-0.48	-0.88	101.52%	100.81%	-0.71%	-0.08	$0	101.52%	101.52%	0.00%	0.00	$0
BERTY	J-1 ELEM	0.32	0.32	134.24%	134.18%	-0.07%	0.00	$0	134.24%	134.24%	0.00%	0.00	$0
BERTY	J-1 HIGH SCHOOL	-4.76	-4.70	119.90%	125.51%	5.61%	-0.26	$0	119.90%	119.90%	0.00%	0.00	$0
BERTY	LIBERTY ELEM SCHOOL	0.00	-7.35	37.35%	66.59%	29.24%	0.00	$0	37.35%	37.35%	0.00%	0.00	$0
BERTY	WHITLASH ELEM	-0.00	-0.00	82.59%	72.97%	-9.62%	0.00	$0	82.59%	82.59%	0.00%	0.00	$0
NCOLN	EUREKA ELEM	-0.14	-0.49	78.70%	78.97%	0.28%	-0.97	$0	78.70%	78.70%	0.00%	-0.74	$0
NCOLN	FORTINE ELEM	0.29	2.88	75.60%	81.78%	6.17%	-0.73	$0	75.60%	75.60%	0.00%	-0.56	$0
NCOLN	LIBBY ELEM	2.06	1.49	85.35%	85.30%	-0.05%	-0.79	$0	85.35%	85.37%	0.02%	-0.57	$0

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		HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB					WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS		USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS			CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS	
NTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
OLN	LIBBY H S	3.06	2.06	89.66%	88.91%	-0.75%	-0.36	$0	89.66%	89.66%	0.00%	-0.32	$0
OLN	LINCOLN CO H S	0.93	0.56	70.59%	71.33%	0.74%	-0.33	$0	70.59%	70.59%	0.00%	-0.32	$0
OLN	MCCORMICK ELEM	-7.03	-3.66	70.40%	80.54%	10.14%	-0.48	$0	70.40%	70.40%	0.00%	-0.48	$0
OLN	SYLVANITE ELEM	-10.64	-8.56	77.20%	81.24%	4.03%	-1.00	$0	77.20%	77.20%	0.00%	-0.94	$0
OLN	TREGO ELEM	-2.48	3.30	70.25%	81.34%	11.10%	-0.61	$0	70.25%	70.25%	0.00%	-0.51	$0
OLN	TROY ELEM	-0.53	-1.58	81.17%	80.24%	-0.93%	-1.00	$0	81.17%	81.17%	0.00%	-0.78	$0
OLN	TROY H S	0.44	-0.21	76.65%	77.19%	0.53%	-0.39	$0	76.65%	76.65%	0.00%	-0.39	$0
OLN	YAAK ELEM	-12.78	-4.49	69.82%	84.75%	14.93%	-0.71	$0	69.82%	69.82%	0.00%	-0.74	$0
ISON	ALDER ELEM	3.72	-0.06	82.09%	70.31%	-11.78%	0.00	$0	82.09%	82.09%	0.00%	-0.66	$0
ISON	ENNIS ELEM	0.73	0.65	84.55%	92.21%	7.67%	0.00	$0	84.55%	84.55%	0.00%	0.00	$0
ISON	ENNIS H S	0.57	0.71	100.00%	86.73%	-13.27%	0.00	$0	100.00%	100.00%	0.00%	0.00	$0
ISON	HARRISON ELEM	-10.51	-6.73	72.25%	80.17%	7.92%	-0.77	$0	72.25%	72.25%	0.00%	-0.75	$0
ISON	HARRISON H S	-17.96	-17.42	71.99%	75.91%	3.92%	-0.33	$0	71.99%	71.99%	0.00%	-0.61	$0
ISON	SHERIDAN ELEM	-1.54	-0.57	70.45%	72.33%	1.89%	-0.63	$0	70.45%	70.45%	0.00%	-0.51	$0
ISON	SHERIDAN H S	-2.30	-4.03	77.92%	73.68%	-4.24%	-0.37	$0	77.92%	77.92%	0.00%	-0.41	$0
ISON	TWIN BRIDGES ELEM	2.19	-2.67	95.65%	86.00%	-9.65%	-0.83	$0	95.65%	95.65%	0.00%	-0.60	$0
ISON	TWIN BRIDGES H S	-4.33	-5.54	95.13%	92.86%	-2.27%	-0.33	$0	95.13%	95.13%	0.00%	-0.41	$0
CONE	CIRCLE ELEM	1.00	-1.57	91.46%	83.18%	-8.28%	-0.45	$0	91.46%	91.46%	0.00%	-0.33	$0
CONE	CIRCLE H S	0.08	-1.89	87.88%	81.47%	-6.41%	-0.26	$0	87.88%	87.88%	0.00%	-0.27	$0
CONE	PRAIRIE ELK ELEM	0.00	0.00	85.31%	77.66%	-7.65%	0.00	$0	85.31%	85.31%	0.00%	0.00	$0
CONE	SOUTHVIEW ELEM	0.00	0.00	88.74%	69.46%	-19.28%	0.00	$0	88.74%	88.74%	0.00%	0.00	$0
CONE	VIDA ELEM	0.00	0.00	100.98%	100.98%	0.00%	0.00	$0	100.98%	100.98%	0.00%	0.00	$0
AGHER	LENNEP ELEM	0.00	0.00	59.18%	62.97%	3.79%	0.00	$0	59.18%	59.18%	0.00%	0.00	$0
AGHER	RINGLING ELEM	0.00	0.00	105.12%	105.12%	0.00%	0.00	$0	105.12%	105.12%	0.00%	0.00	$0
AGHER	WHT SULPHUR SPGS ELEM	-1.15	-0.78	98.21%	100.00%	1.79%	-0.97	$0	98.21%	98.21%	0.00%	-0.76	$0
AGHER	WHT SULPHUR SPGS HS	0.26	-2.91	90.54%	86.31%	-4.23%	-0.42	$0	90.54%	90.54%	0.00%	0.00	$0
ERAL	ALBERTON ELEM	0.83	-1.82	90.01%	85.81%	-4.20%	-0.92	$0	90.01%	90.01%	0.00%	-0.70	$0
ERAL	ALBERTON H S	-12.76	-9.86	85.79%	93.33%	7.55%	-0.40	$0	85.79%	85.79%	0.00%	-0.61	$0
ERAL	ST REGIS ELEM	-2.96	-2.77	84.85%	85.87%	1.02%	-0.86	$0	84.85%	84.85%	0.00%	-0.71	$0
ERAL	ST REGIS H S	-13.06	-8.78	85.65%	96.73%	11.09%	-0.34	$0	85.65%	85.65%	0.00%	-0.55	$0
ERAL	SUPERIOR ELEM	-4.62	-0.46	80.17%	87.64%	7.47%	-1.01	$0	80.17%	80.17%	0.00%	-0.85	$0
ERAL	SUPERIOR H S	-2.18	-2.72	78.85%	79.74%	0.89%	-0.43	$0	78.85%	78.85%	0.00%	-0.47	$0
SOULA	BONNER ELEM	0.98	-0.15	84.30%	83.51%	-0.79%	-1.11	$0	84.30%	84.30%	0.00%	-0.84	$0
SOULA	CLINTON ELEM	-4.01	-1.94	78.44%	82.37%	3.94%	-1.05	$0	78.44%	78.44%	0.00%	-0.87	$0
SOULA	DESMET SCHOOL	-15.60	-4.88	74.40%	91.08%	16.67%	-0.97	$0	74.40%	74.40%	0.00%	-0.99	$0
SOULA	FRENCHTOWN ELEM	0.77	1.17	77.14%	78.80%	1.66%	-0.82	$0	77.14%	77.14%	0.00%	-0.61	$0
SOULA	FRENCHTOWN H S	0.40	0.52	90.73%	94.63%	3.91%	-0.31	$0	90.73%	90.73%	0.00%	-0.31	$0
SOULA	HELLGATE ELEM	0.01	1.63	72.83%	75.11%	2.27%	-0.90	$0	72.83%	72.83%	0.00%	-0.69	$0

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COUNTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
MISSOULA	LOLO ELEM	3.21	2.08	82.49%	81.86%	-0.64%	-1.15	$0	82.49%	82.49%	0.00%	-0.83	$0
MISSOULA	MISSOULA ELEM	3.60	3.52	86.04%	87.16%	1.12%	2.89	$0	86.04%	87.31%	1.27%	2.46	$0
MISSOULA	MISSOULA H S	4.63	4.30	88.72%	91.63%	2.91%	-0.46	$0	88.72%	88.72%	0.00%	-0.40	$0
MISSOULA	POTOMAC ELEM	-3.17	-3.92	90.54%	89.98%	-0.56%	-1.00	$0	90.54%	90.54%	0.00%	-0.82	$0
MISSOULA	SEELEY LAKE ELEM	-1.09	0.16	74.68%	77.70%	3.02%	-0.89	$0	74.68%	74.68%	0.00%	-0.70	$0
MISSOULA	SUNSET ELEM	-3.86	-0.94	67.24%	73.90%	6.66%	-0.53	$0	67.24%	67.24%	0.00%	0.00	$0
MISSOULA	SWAN VALLEY ELEM	-5.69	-1.99	98.87%	105.23%	6.36%	-0.70	$0	98.87%	98.87%	0.00%	-0.63	$0
MISSOULA	TARGET RANGE ELEM	0.36	-0.26	74.07%	73.95%	-0.12%	-0.92	$0	74.07%	74.07%	0.00%	-0.70	$0
MISSOULA	WOODMAN ELEM	-6.47	-3.62	98.94%	102.58%	3.64%	-0.67	$0	98.94%	98.94%	0.00%	-0.61	$0
MUSSELSHELL	MELSTONE ELEM	-6.90	-3.79	92.10%	100.00%	7.90%	-0.45	$0	92.10%	92.10%	0.00%	-0.46	$0
MUSSELSHELL	MELSTONE H S	-5.31	-9.58	99.53%	87.90%	-11.63%	-0.29	$0	99.53%	99.53%	0.00%	-0.38	$0
MUSSELSHELL	MUSSELSHELL ELEM	0.00	0.00	105.55%	105.55%	0.00%	0.00	$0	105.55%	105.55%	0.00%	0.00	$0
MUSSELSHELL	ROUNDUP ELEM	4.83	-0.56	81.57%	74.55%	-7.01%	-1.10	$0	81.57%	81.57%	0.00%	-0.77	$0
MUSSELSHELL	ROUNDUP H S	-1.98	-1.03	68.82%	72.67%	3.85%	-0.26	$0	68.82%	68.82%	0.00%	-0.29	$0
PARK	ARROWHEAD ELEM	0.56	0.57	83.82%	82.41%	-1.41%	0.00	$0	83.82%	83.82%	0.00%	0.00	$0
PARK	COOKE CITY ELEM	0.00	0.00	69.82%	78.40%	8.58%	0.00	$0	69.82%	69.82%	0.00%	0.00	$0
PARK	GARDINER ELEM	-8.73	-2.83	84.12%	95.26%	11.14%	-0.88	$0	84.12%	84.12%	0.00%	-0.81	$0
PARK	GARDINER H S	-6.40	-5.16	105.88%	112.08%	6.20%	-0.28	$0	105.88%	105.88%	0.00%	-0.39	$0
PARK	LIVINGSTON ELEM	1.02	0.30	81.11%	80.90%	-0.22%	-1.04	$0	81.11%	81.11%	0.00%	-0.78	$0
PARK	PARK H S	0.27	1.10	75.10%	80.24%	5.15%	-0.33	$0	75.10%	75.10%	0.00%	-0.34	$0
PARK	PINE CREEK ELEM	-3.32	-1.64	65.07%	69.16%	4.09%	-0.65	$0	65.07%	65.07%	0.00%	0.00	$0
PARK	RICHLAND ELEM	0.00	0.00	89.46%	89.46%	0.00%	0.00	$0	89.46%	89.46%	0.00%	0.00	$0
PARK	SPRINGDALE ELEM	0.00	0.00	71.28%	71.28%	0.00%	0.00	$0	71.28%	71.28%	0.00%	0.00	$0
PARK	SHIELDS VALLEY HIGH SCH	-3.81	-4.11	90.13%	90.77%	0.64%	-0.30	$0	90.13%	90.13%	0.00%	-0.36	$0
PARK	SHIELDS VLY ELEM SCH DIST	-4.08	-0.46	79.43%	87.41%	7.99%	-0.81	$0	79.43%	79.43%	0.00%	-0.69	$0
PETROLEUM	WINNETT ELEM	-2.52	-3.95	110.77%	106.58%	-4.18%	-0.52	$0	110.77%	110.77%	0.00%	-0.44	$0
PETROLEUM	WINNETT H S	-7.35	-11.58	102.65%	95.23%	-7.42%	-0.21	$0	102.65%	102.65%	0.00%	-0.33	$0
PHILLIPS	DODSON ELEM	-3.34	-4.52	111.21%	107.94%	-3.27%	-0.52	$0	111.21%	111.21%	0.00%	-0.45	$0
PHILLIPS	DODSON H S	-3.16	-4.97	109.97%	106.43%	-3.54%	-0.24	$0	109.97%	109.97%	0.00%	0.00	$0
PHILLIPS	LANDUSKY ELEM	0.00	0.00	71.54%	75.33%	3.79%	0.00	$0	71.54%	71.54%	0.00%	0.00	$0
PHILLIPS	MALTA ELEM	1.44	0.94	87.13%	87.19%	0.07%	-0.91	$0	87.13%	87.13%	0.00%	-0.67	$0
PHILLIPS	MALTA H S	0.39	-0.35	80.21%	80.49%	0.28%	-0.40	$0	80.21%	80.21%	0.00%	-0.40	$0
PHILLIPS	SACO ELEM	0.00	0.00	120.07%	125.37%	5.30%	0.00	$0	120.07%	120.07%	0.00%	0.00	$0
PHILLIPS	SACO H S	0.00	0.00	129.51%	139.34%	9.83%	0.00	$0	129.51%	129.51%	0.00%	0.00	$0
PHILLIPS	SECOND CRK ELEM	0.00	0.00	86.67%	80.15%	-6.52%	0.00	$0	86.67%	86.67%	0.00%	0.00	$0
PHILLIPS	WHITEWATER ELEM	0.00	0.00	150.31%	154.89%	4.58%	0.00	$0	150.31%	150.31%	0.00%	0.00	$0
PHILLIPS	WHITEWATER H S	0.00	0.00	107.23%	104.59%	-2.64%	0.00	$0	107.23%	107.23%	0.00%	0.00	$0
PONDERA	BRADY ELEM	0.53	0.55	115.02%	112.72%	-2.31%	0.00	$0	115.02%	115.02%	0.00%	0.00	$0

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UNTY	DISTRICT	ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
NDERA	BRADY H S	-11.51	-13.59	77.55%	75.59%	-1.96%	-0.43	$0	77.55%	77.55%	0.00%	0.00	$0
NDERA	CONRAD ELEM	0.77	0.37	87.06%	87.10%	0.04%	-0.73	$0	87.06%	87.06%	0.00%	-0.55	$0
NDERA	CONRAD H S	-0.43	-0.27	87.34%	90.92%	3.58%	-0.28	$0	87.34%	87.34%	0.00%	-0.29	$0
NDERA	DUPUYER ELEM	6.59	-0.42	90.93%	79.01%	-11.92%	-1.00	$0	90.93%	90.93%	0.00%	-0.67	$0
NDERA	HEART BUTTE	-1.79	-3.50	154.61%	142.19%	-12.42%	-0.10	$0	154.61%	154.61%	0.00%	-0.13	$0
NDERA	HEART BUTTE ELEM	-3.01	-0.57	126.48%	138.75%	12.27%	-0.54	$0	126.48%	126.48%	0.00%	-0.46	$0
NDERA	MIAMI ELEM	1.14	-2.14	83.36%	77.53%	-5.82%	-0.85	$0	83.36%	83.36%	0.00%	-0.63	$0
NDERA	VALIER ELEM	-1.52	0.15	76.49%	80.27%	3.78%	-0.89	$0	76.49%	76.49%	0.00%	-0.71	$0
NDERA	VALIER H S	-7.18	-7.50	88.04%	88.78%	0.74%	-0.43	$0	88.04%	88.04%	0.00%	-0.55	$0
WDER RIVER	BELLE CREEK EL	0.00	0.00	230.23%	203.38%	-26.85%	0.00	$0	230.23%	230.23%	0.00%	0.00	$0
WDER RIVER	BIDDLE ELEM	8.85	-0.55	88.68%	71.14%	-17.54%	-0.85	$0	88.68%	88.68%	0.00%	-0.51	$0
WDER RIVER	BILLUP ELEM	-1.91	-7.52	97.50%	88.75%	-8.75%	-0.70	$0	97.50%	97.50%	0.00%	0.00	$0
WDER RIVER	BROADUS ELEM	-3.68	-2.49	100.00%	101.14%	1.14%	-0.69	$0	100.00%	100.00%	0.00%	-0.59	$0
WDER RIVER	HORKAN CRK ELEM	-14.53	-15.92	80.43%	73.98%	-6.45%	-0.86	$0	80.43%	80.43%	0.00%	-0.89	$0
WDER RIVER	POWDER RVR CO DIST HS	-0.02	-0.04	121.58%	120.92%	-0.66%	-0.00	$0	121.58%	121.58%	0.00%	-0.00	$0
WDER RIVER	SO STACEY ELEM	-17.01	-13.37	73.43%	86.04%	12.61%	-0.65	$0	73.43%	73.43%	0.00%	0.00	$0
WELL	AVON ELEM	0.48	0.54	59.50%	64.70%	5.20%	0.00	$0	59.50%	59.50%	0.00%	0.00	$0
WELL	DEER LODGE ELEM	0.69	-0.42	88.46%	86.95%	-1.52%	-0.79	$0	88.46%	88.46%	0.00%	-0.59	$0
WELL	ELLISTON ELEM	-6.77	1.83	63.02%	75.50%	12.48%	-0.63	$0	63.02%	63.02%	0.00%	0.00	$0
WELL	GARRISON ELEM	0.00	0.00	77.10%	80.92%	3.83%	0.00	$0	77.10%	77.10%	0.00%	0.00	$0
WELL	GOLD CREEK ELEM	0.00	0.00	80.25%	80.25%	0.00%	0.00	$0	80.25%	80.25%	0.00%	0.00	$0
WELL	HELMVILLE ELEM	0.00	0.00	76.74%	82.61%	5.87%	0.00	$0	76.74%	76.74%	0.00%	0.00	$0
WELL	OVANDO ELEM	1.97	0.07	84.91%	78.88%	-6.03%	0.00	$0	84.91%	84.91%	0.00%	0.00	$0
WELL	POWELL CO H S	1.72	0.44	88.08%	85.71%	-2.37%	-0.34	$0	88.08%	88.08%	0.00%	-0.31	$0
AIRIE	TERRY ELEM	-1.54	-1.10	93.48%	95.71%	2.23%	-0.58	$0	93.48%	93.48%	0.00%	-0.47	$0
AIRIE	TERRY H S	-3.36	-4.00	88.56%	87.91%	-0.65%	-0.28	$0	88.56%	88.56%	0.00%	-0.34	$0
VALLI	CORVALLIS ELEM	-2.88	-0.69	74.12%	78.01%	3.89%	-0.90	$0	74.12%	74.12%	0.00%	-0.74	$0
VALLI	CORVALLIS H S	-0.86	0.53	65.77%	70.04%	4.27%	-0.29	$0	65.77%	65.77%	0.00%	-0.31	$0
VALLI	DARBY ELEM	-2.41	-1.97	73.69%	74.62%	0.94%	-0.87	$0	73.69%	73.69%	0.00%	-0.70	$0
VALLI	DARBY H S	-2.29	-1.41	69.56%	72.87%	3.31%	-0.32	$0	69.56%	69.56%	0.00%	-0.36	$0
VALLI	FLORENCE-CARLTON ELEM	0.03	2.26	73.35%	77.42%	4.07%	-0.87	$0	73.35%	73.35%	0.00%	-0.67	$0
VALLI	FLORENCE-CARLTON HS	-3.24	-2.41	70.80%	74.03%	[illegible]	-0.32	$0	70.80%	70.80%	0.00%	-0.37	$0
VALLI	HAMILTON ELEM	0.38	0.72	73.93%	75.22%	1.29%	-0.55	$0	73.93%	73.93%	0.00%	-0.42	$0
VALLI	HAMILTON H S	0.91	0.87	69.23%	70.55%	1.31%	-0.20	$0	69.23%	69.23%	0.00%	-0.19	$0
VALLI	LONE ROCK ELEM	4.59	3.62	81.74%	81.31%	-0.44%	-1.04	$0	81.74%	81.74%	0.00%	-0.73	$0
VALLI	STEVENSVILLE EL	0.25	0.73	73.14%	74.29%	1.14%	-0.77	$0	73.14%	73.14%	0.00%	-0.59	$0
VALLI	STEVENSVILLE HS	0.27	0.63	68.57%	70.93%	2.36%	-0.24	$0	68.57%	68.57%	0.00%	-0.24	$0
VALLI	VICTOR ELEM	-1.89	-0.75	74.44%	77.33%	2.89%	-0.82	$0	74.44%	74.44%	0.00%	-0.66	$0

ICE OF THE LEGISLATIVE AUDITOR
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DOL FUNDING ANALYSIS
T SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
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NTY	DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
ALLI	VICTOR H S	-6.40	-6.72	77.18%	78.36%	1.18%	-0.37	$0	77.18%	77.18%	0.00%	-0.48	$0
HLAND	BRORSON ELEM	0.00	0.00	163.98%	133.51%	-30.46%	0.00	$0	163.98%	163.98%	0.00%	0.00	$0
HLAND	FAIRVIEW ELEM	0.00	0.00	115.10%	103.46%	-11.65%	0.00	$0	115.10%	115.10%	0.00%	0.00	$0
HLAND	FAIRVIEW H S	0.00	0.00	112.20%	108.98%	-3.21%	0.00	$0	112.20%	112.20%	0.00%	0.00	$0
HLAND	LAMBERT ELEM	0.00	0.00	139.95%	140.41%	0.46%	0.00	$0	139.95%	139.95%	0.00%	0.00	$0
HLAND	LAMBERT H S	-4.64	-4.01	116.52%	119.35%	2.83%	-0.11	$0	116.52%	116.52%	0.00%	-0.18	$0
HLAND	RAU ELEM	2.65	1.47	106.17%	92.58%	-13.59%	-0.23	$0	106.17%	106.17%	0.00%	-0.13	$0
HLAND	SAVAGE ELEM	-2.40	-1.79	76.11%	78.44%	2.33%	-0.68	$0	76.11%	76.11%	0.00%	-0.56	$0
HLAND	SAVAGE H S	-6.81	-7.31	104.98%	103.60%	-1.38%	-0.14	$0	104.98%	104.98%	0.00%	-0.25	$0
HLAND	SIDNEY ELEM	1.83	0.66	92.77%	88.68%	-4.09%	-0.45	$0	92.77%	92.77%	0.00%	-0.32	$0
HLAND	SIDNEY H S	1.86	1.02	88.15%	82.61%	-5.54%	-0.16	$0	88.15%	88.15%	0.00%	-0.14	$0
OSEVELT	BAINVILLE ELEM	0.00	0.00	137.25%	144.60%	7.35%	0.00	$0	137.25%	137.25%	0.00%	0.00	$0
OSEVELT	BAINVILLE H S	0.00	0.00	133.40%	135.21%	1.81%	0.00	$0	133.40%	133.40%	0.00%	0.00	$0
OSEVELT	BROCKTON ELEM	-2.57	-5.11	157.27%	149.82%	-7.45%	-0.81	$0	157.27%	157.27%	0.00%	-0.66	$0
OSEVELT	BROCKTON H S	-12.01	-11.86	137.68%	139.18%	1.49%	-0.34	$0	137.68%	137.68%	0.00%	-0.53	$0
OSEVELT	CULBERTSON ELEM	2.42	0.25	100.00%	97.23%	-2.77%	-0.73	$0	100.00%	100.00%	0.00%	-0.52	$0
OSEVELT	CULBERTSON H S	-5.06	-3.85	86.07%	91.68%	5.61%	-0.28	$0	86.07%	86.07%	0.00%	-0.37	$0
OSEVELT	FROID ELEM	-6.69	-2.08	102.23%	117.86%	15.64%	-0.53	$0	102.23%	102.23%	0.00%	-0.51	$0
OSEVELT	FROID H S	-10.25	-11.78	96.78%	93.38%	-3.40%	-0.27	$0	96.78%	96.78%	0.00%	-0.43	$0
OSEVELT	FRONTIER ELEM	-1.09	-0.24	97.98%	101.50%	3.53%	-0.15	$0	97.98%	97.98%	0.00%	-0.13	$0
OSEVELT	POPLAR ELEM	0.00	0.00	139.66%	142.65%	3.00%	0.00	$0	139.66%	139.66%	0.00%	0.00	$0
OSEVELT	POPLAR H S	0.00	0.00	208.54%	218.58%	10.04%	0.00	$0	208.54%	208.54%	0.00%	0.00	$0
OSEVELT	WOLF POINT ELEM	0.11	0.63	93.96%	96.68%	2.72%	-0.65	$0	93.96%	93.96%	0.00%	-0.50	$0
OSEVELT	WOLF POINT H S	0.43	0.19	90.03%	90.03%	0.00%	-0.11	$0	90.03%	90.03%	0.00%	-0.10	$0
SEBUD	ASHLAND ELEM	-10.61	-5.12	88.38%	98.77%	10.39%	-0.81	$0	88.38%	88.38%	0.00%	-0.79	$0
SEBUD	BIRNEY ELEM	-4.72	-3.26	88.60%	92.79%	4.19%	-0.57	$0	88.60%	88.60%	0.00%	-0.51	$0
SEBUD	COLSTRIP ELEM	0.00	0.00	131.40%	124.31%	-7.09%	0.00	$0	131.40%	131.40%	0.00%	0.00	$0
SEBUD	COLSTRIP H S	0.00	0.00	117.59%	126.34%	8.75%	0.00	$0	117.59%	117.59%	0.00%	0.00	$0
SEBUD	FORSYTH ELEM	-0.34	-0.99	86.78%	86.28%	-0.50%	-0.80	$0	86.78%	86.78%	0.00%	-0.62	$0
SEBUD	FORSYTH H S	0.51	-0.06	73.86%	73.22%	-0.64%	-0.19	$0	73.86%	73.86%	0.00%	-0.19	$0
SEBUD	LAME DEER ELEM	0.01	1.07	152.38%	159.76%	7.37%	-0.66	$0	152.38%	152.38%	0.00%	-0.50	$0
SEBUD	ROCK SPRING ELEM	0.00	0.00	100.18%	100.18%	0.00%	0.00	$0	100.18%	100.18%	0.00%	0.00	$0
SEBUD	ROSEBUD ELEM	-5.87	-5.16	94.81%	96.69%	1.88%	-0.90	$0	94.81%	94.81%	0.00%	-0.78	$0
SEBUD	ROSEBUD H S	-10.58	-10.92	88.98%	91.53%	2.54%	-0.32	$0	88.98%	88.98%	0.00%	0.00	$0
NDERS	CAMAS PRAIRIE ELEM	0.00	0.00	89.94%	114.96%	25.02%	0.00	$0	89.94%	89.94%	0.00%	0.00	$0
NDERS	DIXON ELEM	0.00	0.00	162.09%	176.48%	14.39%	0.00	$0	162.09%	162.09%	0.00%	0.00	$0
NDERS	HOT SPRINGS ELEM	1.43	-3.52	90.96%	83.29%	-7.67%	-1.01	$0	90.96%	90.96%	0.00%	-0.75	$0
NDERS	HOT SPRINGS H S	-6.35	-8.50	86.36%	82.73%	-3.62%	-0.42	$0	86.36%	86.36%	0.00%	-0.53	$0

CE OF THE LEGISLATIVE AUDITOR
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SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
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ITY	DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT; 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
ERS	NOXON ELEM	0.98	0.89	83.20%	90.75%	7.55%	0.00	$0	83.20%	83.20%	0.00%	0.00	$0
ERS	NOXON H S	0.73	0.68	77.23%	72.73%	-4.50%	0.00	$0	77.23%	77.23%	0.00%	0.00	$0
ERS	PARADISE ELEM	-9.77	2.89	67.74%	86.52%	18.77%	-0.77	$0	67.74%	67.74%	0.00%	-0.74	$0
ERS	PLAINS ELEM	-2.70	-1.50	74.14%	76.95%	2.81%	-0.74	$0	74.14%	74.14%	0.00%	-0.61	$0
ERS	PLAINS H S	-2.32	-1.43	74.09%	79.91%	5.82%	-0.32	$0	74.09%	74.09%	0.00%	-0.36	$0
ERS	THOMPSON FALLS ELEM	0.20	0.25	76.56%	77.53%	0.97%	-0.97	$0	76.56%	76.56%	0.00%	-0.74	$0
ERS	THOMPSON FALLS H S	-1.54	-0.72	69.76%	72.84%	3.08%	-0.34	$0	69.76%	69.76%	0.00%	-0.37	$0
ERS	TROUT CRK ELEM	0.34	0.30	109.09%	116.92%	7.84%	0.00	$0	109.09%	109.09%	0.00%	0.00	$0
IDAN	HIAWATHA ELEM	0.00	0.00	208.25%	168.87%	-39.38%	0.00	$0	208.25%	208.25%	0.00%	0.00	$0
IDAN	MEDICINE LK EL	0.00	-0.00	125.76%	110.65%	-15.11%	0.00	$0	125.76%	125.76%	0.00%	0.00	$0
IDAN	MEDICINE LK H S	0.00	0.00	104.89%	103.23%	-1.66%	0.00	$0	104.89%	104.89%	0.00%	0.00	$0
IDAN	OUTLOOK ELEM	0.00	0.00	155.51%	129.47%	-26.04%	0.00	$0	155.51%	155.51%	0.00%	0.00	$0
IDAN	OUTLOOK H S	-3.79	-5.66	105.91%	101.10%	-4.82%	-0.06	$0	105.91%	105.91%	0.00%	-0.12	$0
IDAN	PLENTYWOOD ELEM	-1.27	0.08	78.22%	81.72%	3.50%	-0.83	$0	78.22%	78.22%	0.00%	-0.65	$0
IDAN	PLENTYWOOD H S	0.36	-1.14	103.71%	100.00%	-3.71%	-0.25	$0	103.71%	103.71%	0.00%	-0.25	$0
IDAN	WESTBY ELEM	0.00	0.00	179.72%	180.61%	0.88%	0.00	$0	179.72%	179.72%	0.00%	0.00	$0
IDAN	WESTBY H S	0.00	0.00	176.05%	164.88%	-11.17%	0.00	$0	176.05%	176.05%	0.00%	0.00	$0
ER BOW	BUTTE ELEM	2.86	1.83	100.00%	100.00%	0.00%	-1.87	($159,750)	100.00%	100.00%	0.00%	-2.08	($159,750)
ER BOW	BUTTE H S	2.27	2.64	100.00%	101.79%	1.79%	-0.41	$0	100.00%	100.00%	0.00%	-0.38	$0
ER BOW	DIVIDE ELEM	0.00	-0.03	82.06%	82.06%	0.00%	0.00	$0	82.06%	82.06%	0.00%	0.00	$0
ER BOW	MELROSE ELEM	1.56	-1.66	100.00%	91.83%	-8.17%	-0.47	$0	100.00%	100.00%	0.00%	-0.33	$0
ER BOW	RAMSAY ELEM	0.88	0.86	78.51%	84.76%	6.26%	0.00	$0	78.51%	78.51%	0.00%	0.00	$0
LWATER	ABSAROKEE ELEM	-1.90	-0.61	83.87%	87.16%	3.29%	-0.91	$0	83.87%	83.87%	0.00%	-0.73	$0
LWATER	ABSAROKEE H S	-1.19	-2.47	75.32%	73.53%	-1.80%	-0.35	$0	75.32%	75.32%	0.00%	-0.37	$0
LWATER	COLUMBUS ELEM	-0.27	-0.01	75.17%	76.46%	1.29%	-0.89	$0	75.17%	75.17%	0.00%	-0.69	$0
LWATER	COLUMBUS H S	-3.68	-2.76	71.59%	75.19%	3.60%	-0.32	$0	71.59%	71.59%	0.00%	-0.38	$0
LWATER	FISHTAIL ELEM	0.37	0.37	69.56%	69.56%	0.00%	0.00	$0	69.56%	69.56%	0.00%	0.00	$0
LWATER	MOLT ELEM	0.00	0.00	128.10%	128.10%	0.00%	0.00	$0	128.10%	128.10%	0.00%	0.00	$0
LWATER	NYE ELEM	0.00	0.00	128.25%	100.20%	-28.05%	0.00	$0	128.25%	128.25%	0.00%	0.00	$0
LWATER	PARK CITY ELEM	3.26	-1.02	84.01%	75.90%	-8.11%	-0.82	$0	84.01%	84.01%	0.00%	-0.58	$0
LWATER	PARK CITY H S	-0.92	-2.79	77.11%	73.00%	-4.12%	-0.35	$0	77.11%	77.11%	0.00%	-0.37	$0
LWATER	RAPELJE ELEM	0.00	0.00	147.08%	145.57%	-1.51%	0.00	$0	147.08%	147.08%	0.00%	0.00	$0
LWATER	RAPELJE H S	-2.81	-5.64	96.39%	90.99%	-5.40%	-0.30	$0	96.39%	96.39%	0.00%	0.00	$0
LWATER	REEDPOINT ELEM	-11.09	-6.36	107.78%	122.47%	14.69%	-0.69	$0	107.78%	107.78%	0.00%	0.00	$0
LWATER	REEDPOINT H S	-21.25	-21.15	67.73%	71.59%	3.86%	-0.21	$0	67.73%	67.73%	0.00%	-0.54	$0
ET GRASS	BIG TIMBER ELEM	3.23	-0.61	83.06%	77.55%	-5.51%	-1.01	$0	83.06%	83.06%	0.00%	-0.73	$0
ET GRASS	BRIDGE ELEM	-2.98	-10.62	83.40%	67.93%	-15.47%	-0.84	$0	83.40%	83.40%	0.00%	-0.69	$0
ET GRASS	GREYCLIFF ELEM	0.96	1.00	73.76%	75.82%	2.06%	0.00	$0	73.76%	73.76%	0.00%	0.00	$0

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SCHOOL FUNDING ANALYSIS
SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT;
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COUNTY	DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ANB WTD GTB 199% CUR GTB 197%	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: PERCENT OF MAX (ENROLLMENT)	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: PERCENT OF MAX (ANB)	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1500/800)	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: IMPACT ON BUDGET OF CHANGING TO 1500/800
SWEET GRASS	MCLEOD ELEM	0.00	0.00	80.41%	102.77%	22.37%	0.00	$0	80.41%	80.41%	0.00%	0.00	$0
SWEET GRASS	MELVILLE ELEM	0.75	1.06	101.20%	80.82%	-20.38%	0.00	$0	101.20%	101.20%	0.00%	0.00	$0
SWEET GRASS	SWEET GRASS CO HS	0.42	-0.65	81.85%	81.53%	-0.32%	-0.46	$0	81.85%	81.85%	0.00%	-0.46	$0
TETON	BYNUM ELEM	-5.07	0.58	53.88%	70.38%	16.50%	-0.19	$0	53.88%	53.88%	0.00%	-0.22	$0
TETON	CHOTEAU ELEM	-1.28	-0.16	77.21%	79.95%	2.74%	-0.94	$0	77.21%	77.21%	0.00%	-0.74	$0
TETON	CHOTEAU H S	0.25	-1.50	101.74%	100.00%	-1.74%	-0.36	$0	101.74%	101.74%	0.00%	-0.36	$0
TETON	DUTTON ELEM	0.64	0.64	96.98%	97.59%	0.61%	0.00	$0	96.98%	96.98%	0.00%	0.00	$0
TETON	DUTTON H S	-7.30	-8.52	101.90%	103.06%	1.16%	-0.37	$0	101.90%	101.90%	0.00%	0.00	$0
TETON	FAIRFIELD ELEM	-0.27	-3.14	86.33%	81.60%	-4.72%	-0.83	$0	86.33%	86.33%	0.00%	-0.64	$0
TETON	FAIRFIELD H S	-1.17	-2.35	78.05%	76.06%	-1.99%	-0.36	$0	78.05%	78.05%	0.00%	-0.39	$0
TETON	GOLDEN RIDGE ELEM	8.36	-0.49	82.62%	69.78%	-12.84%	-0.92	$0	82.62%	82.62%	0.00%	-0.57	$0
TETON	GREENFIELD ELEM	-3.58	-6.80	88.01%	82.79%	-5.21%	-0.84	$0	88.01%	88.01%	0.00%	-0.70	$0
TETON	PENDROY ELEM	0.00	0.00	100.00%	83.05%	-16.95%	0.00	$0	100.00%	100.00%	0.00%	0.00	$0
TETON	POWER ELEM	-1.51	-4.29	85.37%	81.91%	-3.46%	-1.08	$0	85.37%	85.37%	0.00%	-0.65	$0
TETON	POWER H S	-15.23	-14.46	72.90%	79.90%	7.00%	-0.37	$0	72.90%	72.90%	0.00%	-0.61	$0
TOOLE	GALATA ELEM	0.00	0.00	147.66%	154.64%	6.98%	0.00	$0	147.66%	147.66%	0.00%	0.00	$0
TOOLE	SHELBY ELEM	1.84	0.32	91.44%	88.52%	-2.92%	-0.72	$0	91.44%	91.44%	0.00%	-0.52	$0
TOOLE	SHELBY H S	-0.31	-0.27	100.00%	100.88%	0.88%	-0.20	$0	100.00%	100.00%	0.00%	-0.20	$0
TOOLE	SUNBURST ELEM	-0.17	-0.58	89.78%	88.50%	-1.27%	-0.32	$0	89.78%	89.78%	0.00%	-0.25	$0
TOOLE	SUNBURST H S	-1.91	-2.34	115.61%	114.81%	-0.80%	-0.18	$0	115.61%	115.61%	0.00%	-0.21	$0
TREASURE	HYSHAM ELEM	0.92	0.90	84.24%	86.04%	1.79%	0.00	$0	84.24%	84.24%	0.00%	0.00	$0
TREASURE	HYSHAM H S	-3.74	-3.98	99.78%	100.91%	1.13%	-0.42	$0	99.78%	99.78%	0.00%	0.00	$0
VALLEY	FRAZER ELEM	-3.88	-4.28	171.45%	171.47%	0.02%	-1.00	$0	171.45%	171.45%	0.00%	-0.83	$0
VALLEY	FRAZER H S	-0.91	-3.83	177.90%	173.28%	-4.62%	-0.47	$0	177.90%	177.90%	0.00%	0.00	$0
VALLEY	FT PECK ELEM	0.00	0.00	268.81%	329.47%	60.66%	0.00	$0	268.81%	268.81%	0.00%	0.00	$0
VALLEY	GLASGOW ELEM	1.06	1.62	100.00%	101.46%	1.46%	-0.92	$0	100.00%	100.00%	0.00%	-0.69	$0
VALLEY	GLASGOW H S	1.79	0.48	107.21%	104.18%	-3.03%	-0.34	$0	107.21%	107.21%	0.00%	-0.31	$0
VALLEY	HINSDALE ELEM	0.16	0.18	118.49%	113.66%	-4.83%	0.00	$0	118.49%	118.49%	0.00%	0.00	$0
VALLEY	HINSDALE H S	0.03	-0.06	132.11%	121.31%	-10.80%	0.00	$0	132.11%	132.11%	0.00%	0.00	$0
VALLEY	LUSTRE ELEM	0.00	0.00	131.31%	116.14%	-15.17%	0.00	$0	131.31%	131.31%	0.00%	0.00	$0
VALLEY	NASHUA ELEM	-4.79	-5.75	85.92%	85.08%	-0.84%	-1.06	$0	85.92%	85.92%	0.00%	-0.89	$0
VALLEY	NASHUA H S	-11.16	-10.30	87.32%	90.30%	2.97%	-0.42	$0	87.32%	87.32%	0.00%	-0.61	$0
VALLEY	OPHEIM ELEM	0.22	0.42	153.75%	122.54%	-31.21%	0.00	$0	153.75%	153.75%	0.00%	0.00	$0
VALLEY	OPHEIM H S	-2.71	-4.86	124.27%	117.37%	-6.89%	-0.20	$0	124.27%	124.27%	0.00%	0.00	$0
WHEATLAND	HARLOWTON ELEM	-4.07	-2.65	75.01%	78.76%	3.74%	-0.80	$0	75.01%	75.01%	0.00%	-0.68	$0
WHEATLAND	HARLOWTON H S	-3.66	-3.77	86.69%	88.34%	1.65%	-0.38	$0	86.69%	86.69%	0.00%	-0.45	$0
WHEATLAND	JUDITH GAP ELEM	-3.54	-5.03	80.40%	78.71%	-1.69%	-1.11	$0	80.40%	80.40%	0.00%	-0.91	$0
WHEATLAND	JUDITH GAP H S	-22.82	-22.56	72.56%	76.48%	3.92%	-0.34	$0	72.56%	72.56%	0.00%	-0.70	$0

CE OF THE LEGISLATIVE AUDITOR
T THE REQUEST OF HB 667 FREE CONFERENCE COMMITTEE
OOL FUNDING ANALYSIS
T SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)
SPECIAL ED ANB NOT INCLUDED BUT:
SPECIAL ED COSTS INCLUDED IN BUDGETS

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NTY	DISTRICT	HB 667 CHANGE IN MILLS – WTD GTB vs. CURRENT GTB: ENROLLMENT WTD GTB 191% CUR GTB 190%	ANB WTD GTB 199% CUR GTB 197%	PERCENT OF MAX (ENROLLMENT)	PERCENT OF MAX (ANB)	CHNGE IN PERCENT OF MAX	WEIGHTED GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 191% vs 194% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800	USING ENROLLMENT 1000/800 vs 1500/800 STOP LOSS: PERCENT OF MAX (1000/800)	PERCENT OF MAX (1500/800)	CHNGE IN PERCENT OF MAX	CURRENT GTB – USING ENROLLMENT: 1000/800 vs 1500/800 STOP LOSS: CHNGE IN MILLS 189% vs 192% GTB PERCENT	IMPACT ON BUDGET OF CHANGING TO 1500/800
ATLAND	SHAWMUT ELEM	0.00	0.00	98.65%	74.24%	−24.41%	0.00	$0	98.65%	98.65%	0.00%	0.00	$0
ATLAND	TWO DOT ELEM	0.00	0.00	100.00%	100.00%	0.00%	0.00	$0	100.00%	100.00%	0.00%	0.00	$0
AUX	WIBAUX ELEM	0.00	0.00	126.40%	119.00%	−7.40%	0.00	$0	126.40%	126.40%	0.00%	0.00	$0
AUX	WIBAUX H S	0.00	0.00	109.92%	111.73%	1.81%	0.00	$0	109.92%	109.92%	0.00%	0.00	$0
LOWSTONE	BILLINGS ELEM	1.88	2.29	80.75%	82.41%	1.66%	2.01	$0	80.75%	82.05%	1.29%	1.44	$0
LOWSTONE	BILLINGS H S	3.79	3.71	74.95%	77.04%	2.08%	−0.37	$0	74.95%	74.95%	0.00%	−0.31	$0
LOWSTONE	BLUE CREEK ELEM	0.67	3.81	74.53%	82.30%	7.77%	−0.67	$0	74.53%	74.53%	0.00%	−0.50	$0
LOWSTONE	BROADVIEW ELEM	0.00	0.01	143.28%	138.75%	−4.53%	0.00	$0	143.28%	143.28%	0.00%	0.00	$0
LOWSTONE	BROADVIEW H S	0.07	0.10	126.08%	118.88%	−7.20%	0.00	$0	126.08%	126.08%	0.00%	0.00	$0
LOWSTONE	CANYON CRK ELEM	−1.38	−1.26	75.74%	76.76%	1.02%	−0.99	$0	75.74%	75.74%	0.00%	−0.78	$0
LOWSTONE	CUSTER ELEM	0.00	−0.19	135.93%	122.11%	−13.83%	0.00	$0	135.93%	135.93%	0.00%	0.00	$0
LOWSTONE	CUSTER H S	−0.48	−2.80	127.00%	116.70%	−10.30%	−0.01	$0	127.00%	127.00%	0.00%	−0.02	$0
LOWSTONE	ELDER GROVE ELEM	−2.76	−0.42	72.88%	77.03%	4.15%	−0.84	$0	72.88%	72.88%	0.00%	−0.69	$0
LOWSTONE	ELYSIAN ELEM	0.33	0.38	66.99%	82.84%	15.85%	0.00	$0	66.99%	66.99%	0.00%	0.00	$0
LOWSTONE	HUNTLEY PROJ ELEM	0.70	0.57	77.37%	78.05%	0.68%	−0.94	$0	77.37%	77.37%	0.00%	−0.71	$0
LOWSTONE	HUNTLEY PROJ HS	−2.15	−1.00	74.94%	81.50%	6.57%	−0.35	$0	74.94%	74.94%	0.00%	−0.39	$0
LOWSTONE	INDEPENDENT ELEM	6.46	5.42	78.68%	78.23%	−0.45%	−0.96	$0	78.68%	78.68%	0.00%	−0.64	$0
LOWSTONE	LAUREL ELEM	5.07	1.24	86.73%	80.90%	−5.83%	−1.00	$0	86.73%	86.73%	0.00%	−0.69	$0
LOWSTONE	LAUREL H S	1.78	1.80	68.87%	70.39%	1.52%	−0.27	$0	68.87%	68.87%	0.00%	−0.25	$0
LOWSTONE	LOCKWOOD ELEM	1.43	1.56	76.27%	77.40%	1.13%	−0.90	$0	76.27%	76.27%	0.00%	−0.67	$0
LOWSTONE	MORIN ELEM	0.41	0.38	110.55%	113.45%	2.90%	0.00	$0	110.55%	110.55%	0.00%	0.00	$0
LOWSTONE	PIONEER ELEM	9.49	3.91	92.51%	80.99%	−11.52%	−0.92	$0	92.51%	92.51%	0.00%	−0.56	$0
LOWSTONE	SHEPHERD ELEM	−0.81	0.32	66.75%	68.48%	1.74%	−0.73	$0	66.75%	66.75%	0.00%	−0.57	$0
LOWSTONE	SHEPHERD H S	−1.72	−0.52	74.51%	80.65%	6.15%	−0.38	$0	74.51%	74.51%	0.00%	−0.41	$0
TOTALS								($159,750)					($159,750)

Free Conf. Comm.
SENATE TAXATION
EXHIBIT NO. 4
DATE 4-21-93
BILL NO HB 667

PROPOSED AMENDMENT TO HB 667
Office of Public Instruction
April 21, 1993

Guaranteed Tax Base Aid for Debt Service Mills

1. Each year a school board would set its mill levy to meet its annual debt service payment as if there were no GTB available.

2. The legislature would appropriate $700,000 for GTB aid on debt service mills in fiscal 1994 and $1.3 million for GTB on debt service mills in fiscal 1995. Any unused portion of one fiscal year's appropriation could be carried over into the next fiscal year.

3. On May 1 of each fiscal year, OPI would determine the number of mills levied in each district for debt service on bonds issued after the effective date of this act and the amount of GTB subsidy each district qualifies to receive based on the district mill value. Based on the available appropriation, OPI would determine the percentage of the current GTB level that could be funded as a state reimbursement, e.g., because the appropriation might only be 75% of the amount required to fully fund all bond issues at 100% of current GTB, OPI would fund the current GTB at 75%. The pro-rated payment would be distributed to school districts at the end of May at the same time as the general fund GTB payment.

4. Districts would deposit the state reimbursement in their debt service fund and use these funds to reduce their debt service levy in the following school year.

Office of Public Instruction

House Bill 667 -- Proposed Amendment to Limit Biennial Payment to $2 million
Bond Issues Passed or Pending for Montana School Districts

This table shows the district and state share of any property tax levies that might be levied to make annual debt service payments on school district bond issues. GTB aid is provided to guarantee $17.87 per mill/ANB at the elementary level and $45.46 per mill/ANB at the high school level, as is guaranteed in fiscal 1993. The state and district percentages are calculated using FY93 mill values.

Fiscal 1995

School District	County	Size of Bond Issue	Status	Date of Bond Election	District Share	State Share	Projected* FY 1995 Debt Service Payment	Estimated GTB Cost to State	Pro-Rated Payment of $1.3 M	Shortfall
Helena Elem	Lewis and Clark	$3,800,000	Approved	February 1992	51.04%	48.96%	320,420	156,893	141,924	14,968
Missoula Elem	Missoula	$9,200,000	Approved	November 1992	63.51%	36.49%	777,545	283,693	256,627	27,066
Whitehall Elem	Jefferson	$1,500,000	Approved	November 1992	49.69%	50.31%	126,200	63,488	57,431	6,057
Whitehall HS	Jefferson	$2,400,000	Approved	November 1992	103.10%	0.00%	204,750	0	0	0
Lolo Elem	Missoula	$1,244,000	Approved	February 1993	29.83%	70.17%	107,370	75,345	68,157	7,188
Fairfield HS	Teton	$81,000	Pending	June 1993	50.64%	49.36%	18,220	8,994	8,136	858
East Helena Elem	Lewis and Clark	$2,000,000	Pending	Fall 1993	48.07%	51.93%	168,075	87,282	78,955	8,327
Superior Elem	Mineral	$2,300,000	Pending	Fall 1993	68.38%	31.62%	196,220	62,039	56,120	5,919
Stevensville HS	Ravalli	$10,000,000	Pending	Fall 1993	42.28%	57.72%	853,900	492,880	445,857	47,023
Bozeman Elem	Gallatin	$9,500,000	Pending	Fall 1993	74.48%	25.52%	809,215	206,492	186,792	19,700
Total Issues		$42,025,000					$3,581,915	$1,437,108	$1,300,000	$137,108

* Debt service payments are projections as none of these bonds have been sold. Projections are based on debt service payment schedules run by Dain-Bosworth Inc. and assume level debt service payments and sale of school bonds within 30 days of approval. The estimates assume two semi-annual debt service payments.

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON

03/20/93
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DISCUSSION DRAFT
Subject To Change
Not to Be
Photocopied or Released
To Be Returned To
Legislative Auditor

ELEMENTARY COST PER SQUARE FOOT	$70
MIDDLE SCHOOL COST PER SQUARE FOOT	$80
HIGH SCHOOL COST PER SQUARE FOOT	$90
ELEMENTARY SQUARE FOOTAGE PER ANB	102.5
MIDDLE SCHOOL SQUARE FOOTAGE PER ANB	112.5
HIGH SCHOOL SQUARE FOOTAGE PER ANB	122.5
ESTIMATED BUILDING LIFE IN YEARS	50
REMODELING COSTS (PERCENT OF NEW COST)	50.00%
GTB LEVEL (PERCENT OF CURRENT)	100.00%
BENCHMARK SCHOOL SIZE (ANB)	400
COST OF BENCHMARK SCHOOL INCLUDING REMODELING:	
ELEMENTARY	$4,305,000
JUNIOR HIGH	$5,400,000
HIGH SCHOOL	$6,615,000
COST PER ANB PER YEAR:	
ELEMENTARY	$220
JUNIOR HIGH	$270
HIGH SCHOOL	$330
FY94 IMPLEMENTATION PERCENTAGE	5.00%
FY95 IMPLEMENTATION PERCENTAGE	10.00%
FY94 STATE COST	$709,733
FY95 STATE COST	$1,449,461
TOTAL BIENNIUM COST	$2,159,195
SB32 THIRD READING FISCAL NOTE	
FY94 SEA COST	$674,230
FY95 SEA COST	$1,375,068
TOTAL BIENNIUM COST	$2,049,298

Fred Cox Comm
SENATE TAXATION
EXHIBIT NO. 5
DATE 4-21-93
BILL NO. HB 667

(2) "School facility entitlement amount" means the school facility entitlement for a district times the total ANB for the district.

(3) "School facility levy" means the district levy in support of the debt service fund or the building reserve fund of a district as provided for in [section 2] and which may be supplemented by guaranteed tax base aid up to the state support level if the district is eligible under the provisions of 20-9-366 through 20-9-369.

(4) "State support level" means:

(a) 5% of the school facility entitlement amount for a district for the school fiscal year beginning July 1, 1993; and

(b 10% of the school facility entitlement amount for a district for the school fiscal year beginning July 1, 1994;

NEW SECTION. **Section 8. School facility levy revenue.** (1) Except as provided for in subsection (3), the trustees of a district may propose a school facility levy for up to the school facility entitlement amount for the district the following purposes:

(a) accumulating school facility levy revenue within the building reserve fund of a district for the purposes provided for in 20-9-503;

(b) applying school facility levy revenue to reduce the net levy requirement of the district debt service fund as provided for in 20-9-439.

(2) The trustees of a district may apportion the school facility levy revenue between the two funds in subsection (1).

(3) The trustees of a district may not expend school facility levy revenue for the purposes in subsection (1) unless the criteria in [section 9] have been met.

Renumber: subsequent sections

9. Page 12
10. Page 13, line 21.
Following: "QUALIFY" on line 21
Strike: "FOR THE"
Insert: "TO USE SCHOOL FACILITY LEVY REVENUE SUPPORTED BY"

11. Page 13, line 22.
Strike: "DESCRIBED IN 20-9-368".
Insert: "AS ALLOWED BY [SECTION 8] AND 20-9-439"

12. Page 14, line 5 AND 6.
Following: "DETERMINED"
Strike: remainder of line 5 through the second "OF THE"
Insert: "that the school facility levy revenue in support of"

13. Page 14, line 20.
Following: line 19
Insert: "NEW SECTION. **Section 1. {standard} Codification instruction.** [Sections 7 through 9] are intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20, chapter 9, apply to [sections 7 through 9]."

Exhibit #5
4-21-93 HB-667

DISCUSSION DRAFT
Subject To Change
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Photocopied, Released
Be Returned
Executive Action

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON

03/20/93
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COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
BEAVERHEAD	BEAVERHEAD CO HS	475	10.48	$2,059	$154,762	$157,290	493	10.31	$4,274	$157,884	$163,230
BEAVERHEAD	DILLON ELEM	1072	22.87	$5,736	$242,408	$247,990	1088	22.35	$11,645	$240,379	$251,710
BEAVERHEAD	GRANT ELEM	27	6.24	$0	$5,940	$5,940	27	6.24	$0	$5,940	$5,940
BEAVERHEAD	JACKSON ELEM	26	8.75	$0	$5,720	$5,720	26	8.75	$0	$5,720	$5,720
BEAVERHEAD	LIMA ELEM	76	10.27	$0	$17,770	$17,770	78	10.28	$0	$18,260	$18,260
BEAVERHEAD	LIMA H S	38	7.15	$41	$12,540	$12,540	40	7.15	$86	$13,200	$13,200
BEAVERHEAD	POLARIS ELEM	12	7.30	$0	$2,640	$2,640	12	7.30	$0	$2,640	$2,640
BEAVERHEAD	REICHLE ELEM	19	8.78	$0	$4,180	$4,180	20	8.78	$0	$4,400	$4,400
BEAVERHEAD	WISDOM ELEM	46	9.66	$0	$10,120	$10,120	47	9.66	$0	$10,340	$10,340
BEAVERHEAD	WISE RIVER ELEM	27	8.74	$0	$5,940	$5,940	27	8.74	$0	$5,940	$5,940
BIG HORN	COMMUNITY ELEM	31	4.14	$0	$6,820	$6,820	31	4.14	$0	$6,820	$6,820
BIG HORN	HARDIN ELEM	1176	21.48	$5,614	$270,640	$276,220	1193	21.03	$11,387	$268,840	$280,160
BIG HORN	HARDIN H S	397	5.41	$0	$131,550	$131,550	411	5.41	$0	$136,170	$136,170
BIG HORN	LODGE GRASS ELEM	420	53.69	$4,029	$102,648	$106,630	425	51.55	$8,145	$99,731	$107,780
BIG HORN	LODGE GRASS H S	161	18.01	$1,608	$52,305	$53,940	167	17.44	$3,335	$52,530	$55,920
BIG HORN	PLENTY COUPS HS	43	20.81	$475	$13,718	$14,190	45	20.10	$995	$13,862	$14,850
BIG HORN	PRYOR ELEM	43	15.08	$151	$9,936	$10,010	43	14.96	$302	$9,862	$10,010
BIG HORN	SQUIRREL CRK ELEM	9	0.21	$0	$1,980	$1,980	9	0.21	$0	$1,980	$1,980
BIG HORN	WYOLA ELEM	55	12.53	$128	$12,850	$12,850	56	12.57	$262	$13,120	$13,120
BLAINE	BEAR PAW ELEM	18	3.94	$0	$3,960	$3,960	19	3.94	$0	$4,180	$4,180
BLAINE	CHINOOK ELEM	347	20.39	$1,533	$80,038	$81,550	352	20.00	$3,108	$79,634	$82,700
BLAINE	CHINOOK H S	206	8.19	$323	$67,835	$68,250	213	8.13	$667	$69,701	$70,560
BLAINE	CLEVELAND ELEM	13	2.74	$0	$2,860	$2,860	13	2.74	$0	$2,860	$2,860
BLAINE	HARLEM ELEM	423	31.11	$2,927	$95,643	$98,580	429	30.15	$5,936	$93,995	$99,950
BLAINE	HARLEM H S	146	11.64	$979	$47,233	$48,180	151	11.41	$2,026	$47,870	$49,830
BLAINE	HAYS-LODGE POLE ELEM	156	323.34	$1,689	$33,476	$35,170	159	307.27	$3,446	$32,424	$35,880
BLAINE	HAYS-LODGE POLE H S	74	222.65	$1,172	$23,237	$24,420	77	211.31	$2,440	$22,947	$25,410
BLAINE	LLOYD ELEM	4	0.71	$0	$880	$880	4	0.71	$0	$880	$880
BLAINE	N HARLEM COLONY ELEM	10	21.53	$57	$2,151	$2,200	10	21.04	$113	$2,102	$2,200
BLAINE	TURNER ELEM	67	9.36	$0	$15,590	$15,590	69	9.37	$0	$16,080	$16,080
BLAINE	TURNER H S	33	5.59	$0	$10,890	$10,890	34	5.59	$0	$11,220	$11,220
BLAINE	ZURICH ELEM	70	7.64	$0	$15,400	$15,400	71	7.64	$0	$15,620	$15,620
BROADWATER	BROADWATER CO HS	200	4.62	$0	$66,540	$66,540	208	4.62	$0	$69,180	$69,180
BROADWATER	TOWNSEND ELEM	532	9.50	$0	$125,440	$125,440	540	9.49	$0	$127,300	$127,300
CARBON	BELFRY ELEM	82	13.67	$96	$18,985	$19,040	84	13.65	$197	$19,417	$19,530
CARBON	BELFRY H S	51	11.56	$416	$16,503	$16,830	52	11.33	$849	$16,493	$17,160
CARBON	BOYD ELEM	11	6.56	$0	$2,420	$2,420	11	6.56	$0	$2,420	$2,420
CARBON	BRIDGER ELEM	170	10.43	$0	$40,790	$40,790	173	10.43	$0	$41,500	$41,500
CARBON	BRIDGER H S	78	6.65	$0	$26,280	$26,280	81	6.65	$0	$27,270	$27,270
CARBON	EDGAR ELEM	19	5.30	$0	$4,180	$4,180	20	5.30	$0	$4,400	$4,400
CARBON	FROMBERG ELEM	113	25.04	$580	$26,008	$26,660	114	24.40	$1,170	$25,566	$26,880
CARBON	FROMBERG H S	62	12.25	$368	$20,026	$20,460	64	11.98	$760	$20,224	$21,120
CARBON	JACKSON ELEM	17	16.42	$58	$3,690	$3,740	18	16.20	$124	$3,855	$3,960
CARBON	JOLIET ELEM	219	25.66	$1,255	$49,884	$51,180	222	25.00	$2,545	$49,262	$51,890
CARBON	JOLIET H S	132	14.97	$1,075	$42,402	$43,560	137	14.56	$2,231	$42,807	$45,210

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03/20/93 01:23 PM HAN71.WK1 COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
CARBON	LUTHER ELEM	23	7.80	$0	$5,060	$5,060	23	7.80	$0	$5,060	$5,060
CARBON	RED LODGE ELEM	403	15.71	$1,188	$93,269	$94,120	408	15.57	$2,405	$93,547	$95,270
CARBON	RED LODGE H S	184	8.08	$324	$60,656	$60,990	191	8.04	$673	$62,607	$63,300
CARBON	ROBERTS ELEM	83	18.72	$280	$19,358	$19,660	84	18.42	$567	$19,269	$19,880
CARBON	ROBERTS H S	44	13.72	$322	$14,166	$14,520	46	13.38	$673	$14,440	$15,180
CARTER	ALBION ELEM	10	4.01	$0	$2,200	$2,200	10	4.01	$0	$2,200	$2,200
CARTER	ALZADA ELEM	16	1.18	$0	$3,520	$3,520	17	1.18	$0	$3,740	$3,740
CARTER	CARTER CO H S	52	2.27	$0	$17,160	$17,160	54	2.27	$0	$17,820	$17,820
CARTER	EKALAKA ELEM	86	10.92	$0	$19,820	$19,820	88	10.93	$0	$20,310	$20,310
CARTER	HAMMOND-HAWKS HOME	23	5.51	$0	$5,060	$5,060	23	5.51	$0	$5,060	$5,060
CARTER	JOHNSTON ELEM	5	2.65	$0	$1,100	$1,100	5	2.65	$0	$1,100	$1,100
CARTER	PINE HILL-PLAINVW EL	13	6.48	$0	$2,860	$2,860	13	6.48	$0	$2,860	$2,860
CARTER	RIDGE ELEM	4	4.02	$0	$880	$880	4	4.02	$0	$880	$880
CASCADE	BELT ELEM	237	10.56	$0	$55,040	$55,040	241	10.56	$0	$55,970	$55,970
CASCADE	BELT H S	94	8.25	$158	$30,814	$31,020	97	8.20	$325	$31,585	$32,010
CASCADE	CASCADE ELEM	226	15.00	$262	$52,328	$52,700	229	14.89	$531	$52,655	$53,410
CASCADE	CASCADE H S	129	8.83	$569	$42,162	$42,570	134	8.74	$1,182	$43,373	$44,220
CASCADE	CENTERVILLE EL	249	27.34	$1,787	$56,497	$58,060	253	26.58	$3,631	$55,814	$58,990
CASCADE	CENTERVILLE H S	96	14.98	$1,009	$30,838	$31,680	100	14.57	$2,101	$31,245	$33,000
CASCADE	DEEP CREEK ELEM	6	2.42	$0	$1,320	$1,320	6	2.42	$0	$1,320	$1,320
CASCADE	GREAT FALLS EL	9306	26.96	$57,268	$2,159,410	$2,217,210	9440	26.23	$116,131	$2,130,880	$2,248,090
CASCADE	GREAT FALLS H S	3557	14.08	$29,024	$1,177,935	$1,207,290	3681	13.71	$60,015	$1,187,511	$1,248,210
CASCADE	SIMMS H S	154	13.63	$1,289	$49,590	$50,820	160	13.29	$2,679	$50,244	$52,800
CASCADE	SUN RIVER VALLEY ELM	276	27.27	$1,751	$61,306	$63,030	280	26.49	$3,550	$60,414	$63,910
CASCADE	ULM ELEM	104	32.50	$687	$22,745	$23,480	105	31.44	$1,388	$22,217	$23,700
CASCADE	VAUGHN ELEM	185	30.56	$1,225	$42,239	$43,510	188	29.64	$2,491	$41,636	$44,220
CHOTEAU	BIG SANDY ELEM	185	6.24	$0	$43,000	$43,000	188	6.24	$0	$43,710	$43,710
CHOTEAU	BIG SANDY H S	93	3.83	$0	$30,690	$30,690	96	3.83	$0	$31,680	$31,680
CHOTEAU	CARTER ELEM	7	0.99	$0	$1,540	$1,540	7	0.99	$0	$1,540	$1,540
CHOTEAU	FT BENTON ELEM	373	14.52	$378	$86,212	$86,710	378	14.44	$766	$86,851	$87,860
CHOTEAU	FT BENTON H S	182	5.62	$0	$60,060	$60,060	188	5.62	$0	$62,040	$62,040
CHOTEAU	GERALDINE ELEM	121	7.01	$0	$27,870	$27,870	123	7.00	$0	$28,310	$28,310
CHOTEAU	GERALDINE H S	44	3.05	$0	$14,520	$14,520	46	3.05	$0	$15,180	$15,180
CHOTEAU	HIGHWOOD ELEM	96	9.39	$0	$22,400	$22,400	98	9.39	$0	$22,890	$22,890
CHOTEAU	HIGHWOOD H S	50	6.03	$0	$16,500	$16,500	51	6.03	$0	$16,830	$16,830
CHOTEAU	KNEES ELEM	9	1.18	$0	$1,980	$1,980	9	1.18	$0	$1,980	$1,980
CHOTEAU	LOMA ELEM	10	1.48	$0	$2,200	$2,200	10	1.48	$0	$2,200	$2,200
CHOTEAU	WARRICK ELEM	5	1.74	$0	$1,100	$1,100	5	1.74	$0	$1,100	$1,100
CUSTER	COTTONWOOD EL	20	12.39	$7	$4,397	$4,400	21	12.38	$14	$4,614	$4,620
CUSTER	CUSTER CO H S	660	14.03	$5,468	$215,605	$221,040	684	13.67	$11,328	$217,700	$228,960
CUSTER	HKT-BASIN SPR CRK EL	9	4.15	$0	$1,980	$1,980	9	4.15	$0	$1,980	$1,980
CUSTER	KINSEY ELEM	44	10.82	$122	$9,680	$9,680	45	10.82	$249	$9,900	$9,900
CUSTER	KIRCHER ELEM	48	5.75	$0	$10,560	$10,560	49	5.75	$0	$10,780	$10,780
CUSTER	MILES CITY ELEM	1382	35.97	$10,406	$321,764	$332,400	1402	34.76	$21,104	$315,480	$337,050
CUSTER	MOON CREEK EL	13	3.96	$0	$2,860	$2,860	13	3.96	$0	$2,860	$2,860

Exhibit #5
4-21-93 HB-607

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03/20/93 01:23 PM HAN71.WK1 COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
CUSTER	S H–FOSTER CRK ELEM	8	5.29	$0	$1,760	$1,760	8	5.29	$0	$1,760	$1,760
CUSTER	S Y ELEM	10	5.82	$0	$2,200	$2,200	10	5.82	$0	$2,200	$2,200
CUSTER	TRAIL CREEK EL	11	6.57	$0	$2,420	$2,420	11	6.57	$0	$2,420	$2,420
CUSTER	TWIN BUTTES EL	4	2.85	$0	$880	$880	4	2.85	$0	$880	$880
CUSTER	WHITNEY CRK EL	6	6.07	$0	$1,320	$1,320	6	6.07	$0	$1,320	$1,320
DANIELS	FLAXVILLE ELEM	40	5.75	$0	$9,350	$9,350	40	5.75	$0	$9,350	$9,350
DANIELS	FLAXVILLE H S	32	6.45	$0	$10,560	$10,560	33	6.45	$0	$10,890	$10,890
DANIELS	PEERLESS ELEM	48	9.24	$0	$11,360	$11,360	49	9.26	$0	$11,630	$11,630
DANIELS	PEERLESS H S	31	8.17	$2	$10,167	$10,230	32	8.12	$4	$10,429	$10,560
DANIELS	SCOBEY ELEM	242	15.44	$530	$57,212	$57,840	246	15.32	$1,078	$57,700	$58,570
DANIELS	SCOBEY H S	100	8.92	$360	$32,669	$33,000	104	8.83	$749	$33,632	$34,320
DAWSON	BLOOMFIELD ELEM	26	5.39	$0	$5,720	$5,720	26	5.39	$0	$5,720	$5,720
DAWSON	DAWSON CO H S	540	10.91	$3,160	$176,990	$180,090	560	10.72	$6,551	$180,263	$186,690
DAWSON	DEER CREEK ELEM	24	2.60	$0	$5,280	$5,280	24	2.60	$0	$5,280	$5,280
DAWSON	GLENDIVE ELEM	1220	24.24	$6,511	$280,585	$287,370	1238	23.64	$13,211	$277,763	$291,530
DAWSON	LINDSAY ELEM	16	2.57	$0	$3,520	$3,520	17	2.57	$0	$3,740	$3,740
DAWSON	RICHEY ELEM	74	8.50	$0	$18,090	$18,090	76	8.50	$0	$18,580	$18,580
DAWSON	RICHEY H S	49	5.67	$0	$16,170	$16,170	50	5.67	$0	$16,500	$16,500
DEER LODGE	ANACONDA ELEM	1147	30.96	$7,874	$268,012	$276,020	1163	30.02	$15,960	$263,508	$279,740
DEER LODGE	ANACONDA H S	563	20.51	$6,124	$181,250	$187,410	583	19.81	$12,679	$181,257	$194,010
FALLON	BAKER ELEM	425	17.14	$1,263	$96,616	$97,900	431	16.91	$2,561	$96,665	$99,270
FALLON	BAKER H S	171	7.41	$177	$56,348	$56,430	177	7.40	$366	$58,241	$58,410
FALLON	FERTILE PRAIRIE EL	10	1.20	$0	$2,200	$2,200	10	1.20	$0	$2,200	$2,200
FALLON	PLEVNA ELEM	96	7.35	$0	$22,070	$22,070	98	7.36	$0	$22,560	$22,560
FALLON	PLEVNA H S	42	4.60	$0	$13,860	$13,860	44	4.60	$0	$14,520	$14,520
FERGUS	AYERS ELEM	9	13.61	$3	$1,970	$1,980	9	13.54	$6	$1,959	$1,980
FERGUS	COTTONWOOD ELEM	6	11.26	$0	$1,320	$1,320	6	11.26	$0	$1,320	$1,320
FERGUS	DEERFIELD ELEM	15	17.57	$59	$3,248	$3,300	16	17.29	$126	$3,409	$3,520
FERGUS	DENTON ELEM	129	10.15	$0	$30,180	$30,180	130	10.15	$0	$30,400	$30,400
FERGUS	DENTON H S	55	5.46	$0	$18,150	$18,150	57	5.46	$0	$18,810	$18,810
FERGUS	FERGUS H S	458	11.79	$3,123	$148,653	$151,680	474	11.55	$6,464	$150,695	$156,960
FERGUS	GRASS RANGE EL	99	16.19	$48	$22,975	$23,210	101	16.04	$97	$23,219	$23,700
FERGUS	GRASS RANGE H S	35	7.37	$27	$11,536	$11,550	36	7.36	$55	$11,852	$11,880
FERGUS	KING COLONY EL	5	1.29	$0	$1,100	$1,100	5	1.29	$0	$1,100	$1,100
FERGUS	LEWISTOWN ELEM	1174	32.61	$8,194	$267,495	$275,930	1191	31.58	$16,621	$262,758	$279,870
FERGUS	MAIDEN ELEM	7	8.61	$0	$1,540	$1,540	7	8.61	$0	$1,540	$1,540
FERGUS	MOORE ELEM	102	10.93	$0	$23,740	$23,740	103	10.93	$0	$23,960	$23,960
FERGUS	MOORE H S	58	8.69	$8	$18,970	$19,140	60	8.61	$17	$19,447	$19,800
FERGUS	ROY ELEM	47	9.71	$0	$10,690	$10,690	47	9.71	$0	$10,690	$10,690
FERGUS	ROY H S	16	4.59	$0	$5,280	$5,280	16	4.59	$0	$5,280	$5,280
FERGUS	SPRING CRK COLONY EL	4	8.35	$0	$880	$880	4	8.35	$0	$880	$880
FERGUS	WINIFRED ELEM	118	13.97	$14	$27,302	$27,410	119	13.91	$29	$27,413	$27,630
FERGUS	WINIFRED H S	43	7.27	$51	$14,183	$14,190	45	7.27	$106	$14,836	$14,850
FLATHEAD	BATAVIA ELEM	143	35.37	$1,069	$32,235	$33,310	145	34.16	$2,166	$31,571	$33,750
FLATHEAD	BIGFORK ELEM	601	14.43	$658	$139,510	$140,250	611	14.36	$1,339	$141,096	$142,600

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COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
FLATHEAD	BIGFORK H S	316	8.38	$733	$103,518	$104,280	328	8.32	$1,522	$106,658	$108,240
FLATHEAD	CAYUSE PRAIRIE ELEM	264	31.75	$1,829	$59,107	$60,960	268	30.76	$3,713	$58,128	$61,890
FLATHEAD	COLUMBIA FALLS ELEM	1705	20.98	$7,142	$393,652	$401,440	1729	20.56	$14,482	$391,180	$406,970
FLATHEAD	COLUMBIA FALLS H S	790	11.92	$4,329	$255,381	$260,700	818	11.68	$8,965	$258,926	$269,940
FLATHEAD	CRESTON ELEM	81	16.76	$119	$17,570	$17,820	82	16.52	$241	$17,534	$18,040
FLATHEAD	DEER PARK ELEM	99	37.93	$793	$22,012	$22,780	101	36.65	$1,620	$21,702	$23,270
FLATHEAD	EVERGREEN ELEM	738	28.67	$4,919	$167,786	$172,610	748	27.84	$9,969	$165,133	$174,910
FLATHEAD	FAIR-MONT-EGAN ELEM	150	26.01	$862	$33,751	$34,650	151	25.31	$1,735	$33,061	$34,870
FLATHEAD	FLATHEAD H S	2053	12.28	$14,528	$671,238	$685,590	2126	12.01	$30,078	$679,967	$709,680
FLATHEAD	HELENA FLATS EL	204	38.99	$1,606	$45,573	$47,180	207	37.63	$3,260	$44,627	$47,890
FLATHEAD	KALISPELL ELEM	2589	21.90	$12,264	$605,303	$617,850	2626	21.43	$24,870	$600,997	$626,440
FLATHEAD	KILA ELEM	107	15.34	$174	$23,292	$23,540	109	15.17	$355	$23,475	$23,980
FLATHEAD	MARION ELEM	103	13.32	$5	$23,819	$23,860	104	13.29	$10	$23,997	$24,080
FLATHEAD	OLNEY-BISSELL ELEM	98	15.05	$177	$22,125	$22,310	100	14.94	$362	$22,423	$22,800
FLATHEAD	PLEASANT VALLEY ELEM	9	5.30	$0	$1,980	$1,980	9	5.30	$0	$1,980	$1,980
FLATHEAD	SOMERS ELEM	364	10.72	$0	$83,880	$83,880	370	10.72	$0	$85,250	$85,250
FLATHEAD	SWAN RIVER EL	136	17.07	$330	$30,658	$31,070	137	16.83	$664	$30,460	$31,290
FLATHEAD	WEST GLACIER ELEM	65	5.48	$0	$14,300	$14,300	66	5.48	$0	$14,520	$14,520
FLATHEAD	WEST VALLEY EL	263	30.17	$1,753	$59,028	$60,810	267	29.26	$3,560	$58,121	$61,740
FLATHEAD	WHITEFISH ELEM	1219	15.93	$3,161	$283,758	$286,440	1237	15.78	$6,414	$285,207	$290,650
FLATHEAD	WHITEFISH H S	548	9.22	$1,894	$179,065	$181,110	568	9.11	$3,927	$183,471	$187,710
GALLATIN	AMSTERDAM ELEM	51	5.23	$0	$11,220	$11,220	52	5.23	$0	$11,440	$11,440
GALLATIN	ANDERSON ELEM	157	26.73	$902	$34,827	$35,790	159	25.98	$1,825	$34,279	$36,230
GALLATIN	BELGRADE ELEM	1268	27.67	$8,098	$288,841	$296,890	1286	26.90	$16,422	$284,727	$301,050
GALLATIN	BELGRADE H S	445	13.00	$3,369	$144,840	$148,200	461	12.70	$6,977	$146,521	$153,480
GALLATIN	BOZEMAN ELEM	3243	16.73	$9,642	$752,018	$760,730	3292	16.53	$19,572	$754,376	$772,060
GALLATIN	BOZEMAN H S	1364	7.83	$2,805	$451,330	$453,090	1413	7.80	$5,810	$465,614	$469,260
GALLATIN	COTTONWOOD EL	11	10.32	$0	$2,420	$2,420	11	10.32	$0	$2,420	$2,420
GALLATIN	GALLATIN GTWY ELEM	128	15.62	$412	$28,925	$29,210	131	15.48	$845	$29,335	$29,920
GALLATIN	LA MOTTE ELEM	50	12.60	$109	$10,983	$11,000	51	12.58	$221	$11,186	$11,220
GALLATIN	MALMBORG ELEM	8	3.15	$0	$1,760	$1,760	8	3.15	$0	$1,760	$1,760
GALLATIN	MANHATTAN ELEM	373	32.89	$2,709	$84,768	$87,460	379	31.85	$5,506	$83,408	$88,880
GALLATIN	MANHATTAN H S	183	11.75	$1,034	$59,185	$60,390	190	11.51	$2,148	$60,199	$62,700
GALLATIN	MONFORTON EL	213	22.18	$1,139	$48,547	$49,610	216	21.70	$2,311	$48,164	$50,320
GALLATIN	OPHIR ELEM	55	2.64	$0	$12,100	$12,100	56	2.64	$0	$12,320	$12,320
GALLATIN	PASS CREEK ELEM	17	6.66	$0	$3,740	$3,740	18	6.66	$0	$3,960	$3,960
GALLATIN	SPRINGHILL EL	14	13.63	$29	$3,063	$3,080	15	13.56	$63	$3,265	$3,300
GALLATIN	THREE FORKS EL	270	10.09	$0	$62,450	$62,450	274	10.09	$0	$63,380	$63,380
GALLATIN	THREE FORKS H S	124	6.66	$0	$40,920	$40,920	129	6.66	$0	$42,570	$42,570
GALLATIN	W YELLOWSTONE ELEM	146	9.91	$0	$33,870	$33,870	148	9.90	$0	$34,310	$34,310
GALLATIN	W YELLOWSTONE H S	73	7.00	$0	$24,090	$24,090	76	7.00	$0	$25,080	$25,080
GALLATIN	WILLOW CREEK EL	35	5.57	$0	$8,200	$8,200	35	5.57	$0	$8,200	$8,200
GALLATIN	WILLOW CREEK HS	17	4.15	$0	$5,610	$5,610	17	4.15	$0	$5,610	$5,610
GARFIELD	BENZIEN ELEM	8	10.28	$0	$1,760	$1,760	8	10.28	$0	$1,760	$1,760
GARFIELD	BIG DRY CREEK ELEM	6	3.29	$0	$1,320	$1,320	6	3.29	$0	$1,320	$1,320

Free Conference Committee
Exhibit #5
4-21-93 HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON

03/20/93 01:23 PM HAN71.WK1 COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
GARFIELD	BLACKFOOT ELEM	7	4.75	$0	$1,540	$1,540	7	4.75	$0	$1,540	$1,540
GARFIELD	COHAGEN ELEM	26	6.77	$0	$5,720	$5,720	26	6.77	$0	$5,720	$5,720
GARFIELD	GARFIELD CO H S	97	5.72	$0	$32,280	$32,280	101	5.72	$0	$33,600	$33,600
GARFIELD	JORDAN ELEM	142	18.28	$678	$33,081	$33,570	144	18.00	$1,375	$33,019	$34,010
GARFIELD	KESTER ELEM	6	7.10	$0	$1,320	$1,320	6	7.10	$0	$1,320	$1,320
GARFIELD	PINE GROVE ELEM	10	18.45	$25	$2,162	$2,200	10	18.12	$50	$2,123	$2,200
GARFIELD	ROSS ELEM	4	11.11	$0	$880	$880	4	11.11	$0	$880	$880
GARFIELD	SAND SPRINGS EL	6	3.26	$0	$1,320	$1,320	6	3.26	$0	$1,320	$1,320
GARFIELD	VAN NORMAN ELEM	18	9.73	$0	$3,960	$3,960	19	9.73	$0	$4,180	$4,180
GLACIER	BROWNING ELEM	1487	61.64	$13,743	$331,615	$345,410	1509	59.06	$27,888	$322,457	$350,450
GLACIER	BROWNING H S	359	17.39	$3,626	$117,068	$120,630	372	16.85	$7,509	$117,543	$124,920
GLACIER	CUT BANK ELEM	756	13.11	$0	$177,198	$177,250	766	13.11	$0	$179,445	$179,550
GLACIER	CUT BANK H S	276	6.64	$0	$91,620	$91,620	286	6.64	$0	$94,920	$94,920
GLACIER	E GLACIER PARK ELEM	58	10.92	$0	$12,760	$12,760	59	10.92	$0	$12,980	$12,980
GLACIER	MOUNTAIN VIEW ELEMENTAF	25	33.70	$178	$5,322	$5,500	25	32.57	$356	$5,143	$5,500
GOLDEN VALLEY	LAVINA ELEM	52	6.90	$0	$12,040	$12,040	52	6.90	$0	$12,040	$12,040
GOLDEN VALLEY	LAVINA H S	25	4.63	$0	$8,250	$8,250	26	4.63	$0	$8,580	$8,580
GOLDEN VALLEY	RYEGATE ELEM	54	3.57	$0	$12,530	$12,530	55	3.57	$0	$12,750	$12,750
GOLDEN VALLEY	RYEGATE H S	26	2.40	$0	$8,580	$8,580	27	2.40	$0	$8,910	$8,910
GRANITE	DRUMMOND ELEM	136	9.52	$0	$33,240	$33,240	138	9.51	$0	$33,680	$33,680
GRANITE	DRUMMOND H S	98	7.05	$0	$32,610	$32,610	102	7.05	$0	$33,930	$33,930
GRANITE	GRANITE H S	83	8.15	$266	$27,224	$27,390	88	8.10	$551	$28,037	$28,380
GRANITE	HALL ELEM	30	5.68	$0	$6,600	$6,600	30	5.68	$0	$6,600	$6,600
GRANITE	PHILIPSBURG EL	200	13.85	$232	$45,763	$45,950	202	13.79	$469	$46,013	$46,390
HILL	BLUE SKY ELEM	145	8.27	$0	$33,200	$33,200	146	8.26	$0	$33,420	$33,420
HILL	BLUE SKY HIGH	34	2.79	$0	$11,220	$11,220	35	2.79	$0	$11,550	$11,550
HILL	BOX ELDER ELEM	146	30.85	$1,013	$32,616	$33,620	147	29.89	$2,040	$31,819	$33,840
HILL	BOX ELDER H S	53	15.91	$520	$17,000	$17,490	55	15.45	$1,080	$17,134	$18,150
HILL	COTTONWOOD ELEM	40	3.34	$0	$8,800	$8,800	40	3.34	$0	$8,800	$8,800
HILL	DAVEY ELEM	5	3.45	$0	$1,100	$1,100	5	3.45	$0	$1,100	$1,100
HILL	GILDFORD COLONY ELEM	12	19.99	$53	$2,587	$2,640	12	19.59	$106	$2,534	$2,640
HILL	HAVRE ELEM	1906	24.60	$10,475	$438,812	$449,590	1934	23.99	$21,253	$434,233	$456,100
HILL	HAVRE H S	820	12.85	$5,588	$265,572	$271,680	849	12.55	$11,570	$268,604	$281,250
HILL	K-G ELEM	85	6.35	$0	$19,400	$19,400	87	6.36	$0	$19,890	$19,890
HILL	K-G HIGH SCHOOL	31	2.97	$0	$10,230	$10,230	32	2.97	$0	$10,560	$10,560
HILL	ROCKY BOY ELEM	349	2097.78	$3,952	$76,175	$80,160	355	1987.84	$8,039	$73,424	$81,530
HILL	ROCKY BOY H S	87	742.58	$1,415	$27,288	$28,710	90	703.88	$2,927	$26,757	$29,700
JEFFERSON	BASIN ELEM	10	1.54	$0	$2,200	$2,200	10	1.54	$0	$2,200	$2,200
JEFFERSON	BOULDER ELEM	242	18.48	$892	$57,642	$58,470	246	18.21	$1,813	$57,717	$59,400
JEFFERSON	CARDWELL ELEM	52	2.55	$0	$11,440	$11,440	53	2.55	$0	$11,660	$11,660
JEFFERSON	CLANCY ELEM	374	9.92	$0	$86,630	$86,630	380	9.92	$0	$88,000	$88,000
JEFFERSON	JEFFERSON H S	244	4.86	$0	$80,790	$80,790	253	4.86	$0	$83,760	$83,760
JEFFERSON	MONTANA CITY ELEM	204	14.89	$154	$46,638	$46,980	207	14.78	$312	$46,995	$47,690
JEFFERSON	WHITEHALL ELEM	387	24.89	$2,270	$88,612	$90,830	392	24.26	$4,598	$87,489	$91,980
JEFFERSON	WHITEHALL H S	181	7.09	$0	$59,730	$59,730	187	7.09	$0	$61,710	$61,710

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COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
JUDITH BASIN	GEYSER ELEM	68	10.46	$0	$15,460	$15,460	69	10.45	$0	$15,680	$15,680
JUDITH BASIN	GEYSER H S	33	5.26	$0	$10,890	$10,890	34	5.26	$0	$11,220	$11,220
JUDITH BASIN	HOBSON ELEM	99	6.92	$0	$23,180	$23,180	100	6.92	$0	$23,400	$23,400
JUDITH BASIN	HOBSON H S	49	4.78	$0	$16,170	$16,170	50	4.78	$0	$16,500	$16,500
JUDITH BASIN	RAYNESFORD ELEM	24	9.16	$0	$5,280	$5,280	24	9.16	$0	$5,280	$5,280
JUDITH BASIN	STANFORD ELEM	143	9.36	$0	$33,210	$33,210	145	9.35	$0	$33,650	$33,650
JUDITH BASIN	STANFORD H S	60	5.51	$0	$19,800	$19,800	62	5.51	$0	$20,460	$20,460
LAKE	ARLEE ELEM	279	35.95	$2,197	$62,716	$64,830	283	34.74	$4,458	$61,471	$65,760
LAKE	ARLEE H S	150	27.09	$1,847	$47,659	$49,500	155	26.04	$3,816	$47,345	$51,150
LAKE	CHARLO ELEM	202	36.69	$1,576	$44,999	$46,540	205	35.44	$3,200	$44,121	$47,250
LAKE	CHARLO H S	76	13.77	$597	$24,466	$25,080	79	13.42	$1,242	$24,794	$26,070
LAKE	POLSON ELEM	1093	16.70	$2,634	$257,506	$260,310	1109	16.51	$5,342	$258,342	$264,030
LAKE	POLSON H S	484	8.70	$1,048	$159,687	$161,070	501	8.62	$2,169	$163,818	$166,680
LAKE	RONAN ELEM	1106	45.61	$9,242	$247,531	$256,870	1123	43.89	$18,767	$241,846	$260,810
LAKE	RONAN H S	396	23.07	$4,519	$126,380	$130,950	410	22.23	$9,357	$126,108	$135,570
LAKE	ST IGNATIUS ELEM	443	54.86	$4,018	$102,491	$106,570	449	52.64	$8,139	$99,678	$107,940
LAKE	ST IGNATIUS H S	175	30.17	$2,214	$55,788	$58,020	181	28.95	$4,579	$55,384	$60,000
LAKE	SWAN LAKE-SALMON ELEM	18	5.24	$0	$3,960	$3,960	19	5.24	$0	$4,180	$4,180
LAKE	UPPER WEST SHORE ELEM	25	2.11	$0	$5,500	$5,500	25	2.11	$0	$5,500	$5,500
LAKE	VALLEY VIEW ELEM	20	16.34	$39	$4,343	$4,400	21	16.13	$82	$4,499	$4,620
LEWIS & CLARK	AUCHARD CRK ELEM	21	21.61	$90	$4,517	$4,620	22	21.12	$188	$4,624	$4,840
LEWIS & CLARK	AUGUSTA ELEM	109	11.10	$0	$25,710	$25,710	110	11.09	$0	$25,930	$25,930
LEWIS & CLARK	AUGUSTA H S	36	4.70	$0	$12,150	$12,150	37	4.70	$0	$12,480	$12,480
LEWIS & CLARK	CRAIG ELEM	9	1.53	$0	$1,980	$1,980	9	1.53	$0	$1,980	$1,980
LEWIS & CLARK	E HELENA ELEM	1047	26.48	$6,238	$235,409	$241,790	1063	25.77	$12,669	$232,551	$245,510
LEWIS & CLARK	HELENA ELEM	5283	25.53	$30,258	$1,212,706	$1,243,790	5360	24.87	$61,384	$1,198,570	$1,261,630
LEWIS & CLARK	HELENA H S	2545	12.58	$18,599	$831,711	$850,110	2635	12.30	$38,498	$841,727	$879,810
LEWIS & CLARK	KESSLER ELEM	296	18.10	$811	$64,029	$65,120	300	17.79	$1,644	$63,788	$66,000
LEWIS & CLARK	LINCOLN ELEM	155	18.56	$432	$35,698	$36,260	157	18.25	$875	$35,563	$36,700
LEWIS & CLARK	LINCOLN HIGH SCHOOL	48	8.16	$102	$15,743	$15,840	49	8.11	$208	$15,972	$16,170
LEWIS & CLARK	TRINITY ELEM	14	1.78	$0	$3,080	$3,080	15	1.78	$0	$3,300	$3,300
LEWIS & CLARK	WOLF CREEK ELEM	13	1.54	$0	$2,860	$2,860	13	1.54	$0	$2,860	$2,860
LIBERTY	CHESTER ELEM	247	8.36	$0	$58,050	$58,050	251	8.36	$0	$58,980	$58,980
LIBERTY	CHESTER H S	102	4.45	$0	$33,930	$33,930	106	4.45	$0	$35,250	$35,250
LIBERTY	J-I ELEM	116	6.53	$0	$26,720	$26,720	117	6.52	$0	$26,940	$26,940
LIBERTY	J-I HIGH SCHOOL	43	3.48	$0	$14,190	$14,190	45	3.48	$0	$14,850	$14,850
LIBERTY	LIBERTY ELEM SCHOOL	12	14.55	$24	$2,616	$2,640	12	14.43	$49	$2,596	$2,640
LIBERTY	WHITLASH ELEM	9	4.99	$0	$1,980	$1,980	9	4.99	$0	$1,980	$1,980
LINCOLN	EUREKA ELEM	539	26.52	$3,309	$123,717	$127,010	547	25.81	$6,714	$122,187	$128,870
LINCOLN	FORTINE ELEM	78	10.93	$0	$17,160	$17,160	79	10.93	$0	$17,380	$17,380
LINCOLN	LIBBY ELEM	1521	25.25	$7,143	$351,015	$359,860	1543	24.60	$14,488	$347,010	$364,950
LINCOLN	LIBBY H S	632	14.64	$4,473	$205,556	$210,990	655	14.25	$9,269	$207,321	$218,580
LINCOLN	LINCOLN CO H S	300	13.54	$2,331	$96,891	$99,270	311	13.21	$4,833	$97,968	$102,900
LINCOLN	MCCORMICK ELEM	17	11.79	$8	$3,740	$3,740	18	11.79	$18	$3,960	$3,960
LINCOLN	SYLVANITE ELEM	14	15.41	$43	$3,047	$3,080	15	15.25	$92	$3,229	$3,300

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LINCOLN	TREGO ELEM	71	17.53	$202	$15,376	$15,620	72	17.25	$410	$15,345	$15,840
LINCOLN	TROY ELEM	481	16.84	$995	$112,361	$113,660	488	16.65	$2,019	$112,664	$115,300
LINCOLN	TROY H S	235	10.13	$874	$76,666	$77,820	243	9.97	$1,808	$78,073	$80,460
LINCOLN	YAAK ELEM	18	13.68	$7	$3,938	$3,960	19	13.60	$16	$4,134	$4,180
MADISON	ALDER ELEM	30	8.20	$0	$6,600	$6,600	30	8.20	$0	$6,600	$6,600
MADISON	ENNIS ELEM	247	4.92	$0	$56,340	$56,340	250	4.92	$0	$57,000	$57,000
MADISON	ENNIS H S	121	3.46	$0	$39,930	$39,930	125	3.46	$0	$41,250	$41,250
MADISON	HARRISON ELEM	80	9.96	$0	$18,650	$18,650	82	9.97	$0	$19,140	$19,140
MADISON	HARRISON H S	38	6.70	$7	$12,540	$12,540	40	6.70	$14	$13,200	$13,200
MADISON	SHERIDAN ELEM	191	19.19	$790	$43,518	$44,270	194	18.87	$1,606	$43,452	$44,980
MADISON	SHERIDAN H S	104	10.88	$555	$34,270	$34,860	108	10.69	$1,152	$34,955	$36,180
MADISON	TWIN BRIDGES ELEM	164	9.27	$0	$38,510	$38,510	167	9.27	$0	$39,220	$39,220
MADISON	TWIN BRIDGES H S	83	6.55	$0	$27,390	$27,390	86	6.55	$0	$28,380	$28,380
MCCONE	CIRCLE ELEM	234	12.78	$854	$54,730	$54,730	237	12.78	$1,729	$55,440	$55,440
MCCONE	CIRCLE H S	143	5.81	$0	$47,190	$47,190	148	5.81	$0	$48,840	$48,840
MCCONE	PRAIRIE ELK ELEM	6	1.54	$0	$1,320	$1,320	6	1.54	$0	$1,320	$1,320
MCCONE	SOUTHVIEW ELEM	11	3.79	$0	$2,420	$2,420	11	3.79	$0	$2,420	$2,420
MCCONE	VIDA ELEM	19	1.94	$0	$4,180	$4,180	20	1.94	$0	$4,400	$4,400
MEAGHER	LENNEP ELEM	12	1.18	$0	$2,640	$2,640	12	1.18	$0	$2,640	$2,640
MEAGHER	RINGLING ELEM	5	0.66	$0	$1,100	$1,100	5	0.66	$0	$1,100	$1,100
MEAGHER	WHT SULPHUR SPGS ELEM	189	10.09	$0	$44,340	$44,340	191	10.08	$0	$44,780	$44,780
MEAGHER	WHT SULPHUR SPGS HS	107	4.20	$0	$35,580	$35,580	111	4.20	$0	$36,900	$36,900
MINERAL	ALBERTON ELEM	169	19.85	$847	$39,110	$39,810	172	19.50	$1,724	$39,095	$40,520
MINERAL	ALBERTON H S	62	10.62	$408	$20,395	$20,730	64	10.44	$842	$20,698	$21,390
MINERAL	ST REGIS ELEM	160	11.57	$0	$38,240	$38,240	161	11.57	$0	$38,460	$38,460
MINERAL	ST REGIS H S	58	5.66	$0	$19,140	$19,140	60	5.66	$0	$19,800	$19,800
MINERAL	SUPERIOR ELEM	311	18.49	$1,132	$70,969	$72,100	316	18.20	$2,301	$70,952	$73,250
MINERAL	SUPERIOR H S	135	11.35	$781	$43,983	$44,820	140	11.13	$1,620	$44,735	$46,470
MISSOULA	BONNER ELEM	443	15.62	$768	$105,139	$105,960	449	15.49	$1,557	$105,667	$107,330
MISSOULA	CLINTON ELEM	241	21.29	$1,174	$54,734	$55,870	245	20.85	$2,388	$54,490	$56,800
MISSOULA	DESMET SCHOOL	107	10.15	$0	$24,690	$24,690	108	10.15	$0	$24,910	$24,910
MISSOULA	FRENCHTOWN ELEM	639	8.71	$0	$148,260	$148,260	648	8.71	$0	$150,340	$150,340
MISSOULA	FRENCHTOWN H S	275	5.28	$0	$90,750	$90,750	285	5.28	$0	$94,050	$94,050
MISSOULA	HELLGATE ELEM	958	19.33	$3,648	$222,874	$226,620	972	19.00	$7,399	$222,252	$229,850
MISSOULA	LOLO ELEM	646	41.83	$5,280	$146,136	$151,430	656	40.31	$10,720	$142,981	$153,730
MISSOULA	MISSOULA ELEM	6038	19.88	$25,758	$1,395,943	$1,421,040	6127	19.52	$52,257	$1,390,602	$1,441,520
MISSOULA	MISSOULA H S	3534	10.50	$18,955	$1,164,048	$1,182,690	3660	10.33	$39,243	$1,185,676	$1,224,270
MISSOULA	POTOMAC ELEM	110	25.35	$636	$24,957	$25,600	111	24.68	$1,282	$24,523	$25,820
MISSOULA	SEELEY LAKE ELEM	219	16.55	$482	$50,094	$50,680	222	16.36	$977	$50,201	$51,390
MISSOULA	SUNSET ELEM	12	6.49	$0	$3,020	$3,020	12	6.49	$0	$3,020	$3,020
MISSOULA	SWAN VALLEY ELEM	71	14.79	$67	$16,049	$16,170	72	14.67	$136	$16,144	$16,390
MISSOULA	TARGET RANGE ELEM	523	20.49	$2,240	$120,885	$123,180	530	20.10	$4,539	$120,168	$124,820
MISSOULA	WOODMAN ELEM	68	18.62	$132	$15,407	$15,660	70	18.34	$272	$15,628	$16,150
MUSSELSHELL	MELSTONE ELEM	66	15.18	$96	$15,201	$15,320	68	15.08	$198	$15,563	$15,810
MUSSELSHELL	MELSTONE H S	53	16.57	$511	$16,985	$17,490	55	16.08	$1,061	$17,101	$18,150

OFFICE OF THE LEGISLATIVE AUDITOR
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AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON

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MUSSELSHELL	MUSSELSHELL ELEM	20	5.85	$0	$4,400	$4,400	21	5.85	$0	$4,620	$4,620
MUSSELSHELL	ROUNDUP ELEM	505	22.73	$2,596	$122,458	$125,000	512	22.25	$5,260	$121,489	$126,640
MUSSELSHELL	ROUNDUP H S	205	11.02	$1,274	$67,263	$68,460	212	10.82	$2,635	$68,295	$70,770
PARK	ARROWHEAD ELEM	54	5.98	$0	$11,880	$11,880	55	5.98	$0	$12,100	$12,100
PARK	COOKE CITY ELEM	7	2.23	$0	$1,540	$1,540	7	2.23	$0	$1,540	$1,540
PARK	GARDINER ELEM	171	10.38	$0	$39,870	$39,870	174	10.38	$0	$40,580	$40,580
PARK	GARDINER H S	76	5.50	$0	$25,080	$25,080	79	5.50	$0	$26,070	$26,070
PARK	LIVINGSTON ELEM	1104	20.10	$4,431	$259,697	$264,310	1120	19.73	$8,986	$258,675	$268,030
PARK	PARK H S	494	9.41	$1,857	$165,201	$167,070	511	9.29	$3,839	$168,817	$172,680
PARK	PINE CREEK ELEM	23	7.52	$0	$5,060	$5,060	23	7.52	$0	$5,060	$5,060
PARK	RICHLAND ELEM	11	3.09	$0	$2,420	$2,420	11	3.09	$0	$2,420	$2,420
PARK	SPRINGDALE ELEM	10	1.46	$0	$2,200	$2,200	10	1.46	$0	$2,200	$2,200
PARK	SHIELDS VALLEY HIGH SCH	96	8.82	$356	$31,378	$31,680	100	8.73	$742	$32,370	$33,000
PARK	SHIELDS VLY ELEM SCH DIST	205	12.19	$0	$47,430	$47,430	207	12.18	$0	$47,870	$47,870
PETROLEUM	WINNETT ELEM	71	8.52	$0	$16,470	$16,470	73	8.54	$0	$16,960	$16,960
PETROLEUM	WINNETT H S	39	6.58	$0	$12,870	$12,870	41	6.58	$0	$13,530	$13,530
PHILLIPS	DODSON ELEM	93	13.71	$20	$22,447	$22,470	94	13.68	$40	$22,643	$22,690
PHILLIPS	DODSON H S	52	3.91	$0	$17,160	$17,160	54	3.91	$0	$17,820	$17,820
PHILLIPS	LANDUSKY ELEM	8	0.66	$0	$1,760	$1,760	8	0.66	$0	$1,760	$1,760
PHILLIPS	MALTA ELEM	477	12.98	$247	$111,660	$111,660	485	12.98	$502	$113,520	$113,520
PHILLIPS	MALTA H S	231	7.93	$62	$76,426	$76,770	240	7.90	$129	$79,025	$79,740
PHILLIPS	SACO ELEM	93	5.26	$0	$21,460	$21,460	95	5.27	$0	$21,950	$21,950
PHILLIPS	SACO H S	38	3.59	$0	$12,540	$12,540	40	3.59	$0	$13,200	$13,200
PHILLIPS	SECOND CRK ELEM	7	2.31	$0	$1,540	$1,540	7	2.31	$0	$1,540	$1,540
PHILLIPS	WHITEWATER ELEM	57	3.70	$0	$13,240	$13,240	59	3.70	$0	$13,730	$13,730
PHILLIPS	WHITEWATER H S	39	3.67	$0	$12,870	$12,870	41	3.67	$0	$13,530	$13,530
PONDERA	BRADY ELEM	62	4.63	$0	$14,690	$14,690	64	4.64	$0	$15,180	$15,180
PONDERA	BRADY H S	38	3.91	$0	$12,540	$12,540	40	3.91	$0	$13,200	$13,200
PONDERA	CONRAD ELEM	573	16.44	$1,615	$131,165	$132,660	581	16.25	$3,275	$131,487	$134,520
PONDERA	CONRAD H S	239	9.15	$929	$79,109	$79,950	247	9.05	$1,919	$80,853	$82,590
PONDERA	DUPUYER ELEM	32	9.35	$0	$7,040	$7,040	32	9.35	$0	$7,040	$7,040
PONDERA	HEART BUTTE	58	416.55	$935	$18,199	$19,140	60	395.00	$1,935	$17,853	$19,800
PONDERA	HEART BUTTE ELEM	183	931.20	$2,095	$40,612	$42,720	185	882.32	$4,234	$38,901	$43,160
PONDERA	MIAMI ELEM	23	11.79	$0	$5,060	$5,060	23	11.79	$0	$5,060	$5,060
PONDERA	VALIER ELEM	209	15.97	$389	$47,221	$47,730	211	15.79	$784	$47,143	$48,170
PONDERA	VALIER H S	78	6.85	$0	$25,740	$25,740	80	6.85	$0	$26,400	$26,400
POWDER RIVER	BELLE CREEK EL	12	1.90	$0	$2,640	$2,640	12	1.90	$0	$2,640	$2,640
POWDER RIVER	BIDDLE ELEM	27	11.04	$0	$5,940	$5,940	27	11.04	$0	$5,940	$5,940
POWDER RIVER	BILLUP ELEM	6	5.75	$0	$1,320	$1,320	6	5.75	$0	$1,320	$1,320
POWDER RIVER	BROADUS ELEM	201	13.86	$96	$47,213	$47,350	204	13.82	$195	$47,783	$48,060
POWDER RIVER	HORKAN CRK ELEM	7	7.99	$0	$1,540	$1,540	7	7.99	$0	$1,540	$1,540
POWDER RIVER	POWDER RVR CO DIST HS	137	6.79	$0	$45,210	$45,210	142	6.79	$0	$46,860	$46,860
POWDER RIVER	SO STACEY ELEM	6	6.47	$0	$1,320	$1,320	6	6.47	$0	$1,320	$1,320
POWELL	AVON ELEM	39	5.84	$0	$8,580	$8,580	39	5.84	$0	$8,580	$8,580
POWELL	DEER LODGE ELEM	682	22.83	$3,365	$160,068	$163,570	692	22.32	$6,827	$158,816	$165,920

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POWELL	ELLISTON ELEM	25	7.00	$0	$5,500	$5,500	25	7.00	$0	$5,500	$5,500
POWELL	GARRISON ELEM	15	3.37	$0	$3,300	$3,300	16	3.37	$0	$3,520	$3,520
POWELL	GOLD CREEK ELEM	11	1.70	$0	$2,420	$2,420	11	1.70	$0	$2,420	$2,420
POWELL	HELMVILLE ELEM	21	5.31	$0	$4,620	$4,620	22	5.31	$0	$4,840	$4,840
POWELL	OVANDO ELEM	23	7.17	$0	$5,060	$5,060	23	7.17	$0	$5,060	$5,060
POWELL	POWELL CO H S	313	7.75	$329	$104,323	$104,640	324	7.72	$681	$107,615	$108,270
PRAIRIE	TERRY ELEM	167	8.67	$0	$38,790	$38,790	170	8.68	$0	$39,500	$39,500
PRAIRIE	TERRY H S	93	6.80	$104	$30,690	$30,690	96	6.80	$214	$31,680	$31,680
RAVALLI	CORVALLIS ELEM	690	32.12	$4,844	$158,360	$163,280	701	31.12	$9,840	$155,855	$165,850
RAVALLI	CORVALLIS H S	300	19.36	$3,031	$96,366	$99,540	310	18.71	$6,263	$96,283	$102,840
RAVALLI	DARBY ELEM	404	20.26	$1,539	$97,882	$99,550	411	19.90	$3,128	$97,800	$101,190
RAVALLI	DARBY H S	171	11.69	$1,246	$55,314	$56,430	177	11.45	$2,580	$56,099	$58,410
RAVALLI	FLORENCE-CARLTON ELEM	503	31.00	$3,478	$114,192	$117,680	510	30.06	$7,053	$112,247	$119,320
RAVALLI	FLORENCE-CARLTON HS	178	15.45	$1,699	$57,135	$58,740	184	15.02	$3,513	$57,402	$60,720
RAVALLI	HAMILTON ELEM	920	19.22	$3,761	$210,768	$214,380	935	18.89	$7,644	$210,538	$217,880
RAVALLI	HAMILTON H S	448	13.03	$3,422	$145,526	$148,920	465	12.73	$7,103	$147,487	$154,530
RAVALLI	LONE ROCK ELEM	167	23.84	$878	$35,822	$36,740	169	23.23	$1,778	$35,322	$37,180
RAVALLI	STEVENSVILLE EL	813	33.92	$5,806	$185,764	$191,760	825	32.82	$11,781	$182,384	$194,550
RAVALLI	STEVENSVILLE HS	386	17.57	$3,665	$124,079	$127,920	399	17.02	$7,575	$124,271	$132,210
RAVALLI	VICTOR ELEM	195	15.90	$386	$44,548	$45,000	199	15.74	$789	$45,007	$45,930
RAVALLI	VICTOR H S	84	9.61	$354	$27,359	$27,720	87	9.49	$733	$27,963	$28,710
RICHLAND	BRORSON ELEM	11	2.41	$0	$2,420	$2,420	11	2.41	$0	$2,420	$2,420
RICHLAND	FAIRVIEW ELEM	203	13.32	$89	$47,401	$47,460	206	13.30	$182	$48,051	$48,170
RICHLAND	FAIRVIEW H S	161	12.65	$1,179	$51,953	$53,130	167	12.36	$2,445	$52,669	$55,110
RICHLAND	LAMBERT ELEM	84	9.13	$0	$19,430	$19,430	86	9.14	$0	$19,920	$19,920
RICHLAND	LAMBERT H S	41	7.22	$0	$13,528	$13,530	43	7.22	$0	$14,187	$14,190
RICHLAND	RAU ELEM	69	12.94	$0	$15,136	$15,180	70	12.91	$0	$15,312	$15,400
RICHLAND	SAVAGE ELEM	134	20.73	$576	$30,423	$31,030	136	20.30	$1,169	$30,240	$31,470
RICHLAND	SAVAGE H S	35	6.20	$8	$11,550	$11,550	36	6.20	$16	$11,880	$11,880
RICHLAND	SIDNEY ELEM	1146	21.98	$5,761	$264,533	$270,150	1163	21.50	$11,689	$262,693	$274,090
RICHLAND	SIDNEY H S	562	12.41	$3,554	$183,089	$187,080	582	12.13	$7,359	$185,417	$193,680
ROOSEVELT	BAINVILLE ELEM	78	4.65	$0	$18,110	$18,110	80	4.65	$0	$18,600	$18,600
ROOSEVELT	BAINVILLE H S	32	2.66	$0	$10,560	$10,560	33	2.66	$0	$10,890	$10,890
ROOSEVELT	BROCKTON ELEM	92	44.69	$754	$20,423	$21,190	94	43.07	$1,543	$20,111	$21,680
ROOSEVELT	BROCKTON H S	49	31.62	$603	$15,539	$16,170	50	30.33	$1,231	$15,211	$16,500
ROOSEVELT	CULBERTSON ELEM	238	12.09	$0	$54,860	$54,860	242	12.10	$0	$55,790	$55,790
ROOSEVELT	CULBERTSON H S	93	7.91	$8	$30,546	$30,690	96	7.88	$13	$31,383	$31,680
ROOSEVELT	FROID ELEM	79	9.32	$0	$18,230	$18,230	81	9.33	$0	$18,720	$18,720
ROOSEVELT	FROID H S	43	7.14	$0	$14,460	$14,460	45	7.13	$0	$15,120	$15,120
ROOSEVELT	FRONTIER ELEM	129	12.62	$112	$30,490	$30,490	131	12.60	$228	$30,930	$30,930
ROOSEVELT	POPLAR ELEM	668	19.20	$2,546	$153,418	$156,030	677	18.87	$5,159	$152,767	$158,060
ROOSEVELT	POPLAR H S	192	7.87	$186	$65,052	$65,250	199	7.84	$385	$67,151	$67,560
ROOSEVELT	WOLF POINT ELEM	720	32.78	$4,988	$161,558	$166,720	731	31.73	$10,126	$158,760	$169,240
ROOSEVELT	WOLF POINT H S	323	14.13	$2,709	$104,721	$107,400	335	13.76	$5,617	$105,804	$111,360
ROSEBUD	ASHLAND ELEM	108	16.11	$201	$26,319	$26,530	109	15.97	$404	$26,325	$26,750

4-21-93
Exhibit # 5
HB 667

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ROSEBUD	BIRNEY ELEM	16	10.07	$0	$3,520	$3,520	17	10.07	$0	$3,740	$3,740
ROSEBUD	COLSTRIP ELEM	942	1.26	$0	$221,240	$221,240	958	1.26	$0	$224,520	$224,520
ROSEBUD	COLSTRIP H S	465	0.86	$0	$153,450	$153,450	482	0.86	$0	$159,060	$159,060
ROSEBUD	FORSYTH ELEM	463	15.23	$825	$110,962	$111,660	469	15.13	$1,671	$111,617	$113,030
ROSEBUD	FORSYTH H S	245	9.97	$1,007	$80,793	$81,930	254	9.82	$2,087	$82,543	$84,900
ROSEBUD	LAME DEER ELEM	349	624.92	$4,139	$81,304	$85,490	355	592.06	$8,410	$78,354	$86,860
ROSEBUD	ROCK SPRING ELEM	4	1.26	$0	$880	$880	4	1.26	$0	$880	$880
ROSEBUD	ROSEBUD ELEM	84	9.48	$0	$19,380	$19,380	86	9.49	$0	$19,870	$19,870
ROSEBUD	ROSEBUD H S	29	3.40	$0	$9,570	$9,570	30	3.40	$0	$9,900	$9,900
SANDERS	CAMAS PRAIRIE ELEM	7	2.17	$0	$1,540	$1,540	7	2.17	$0	$1,540	$1,540
SANDERS	DIXON ELEM	48	19.01	$178	$10,366	$10,560	49	18.65	$364	$10,383	$10,780
SANDERS	HOT SPRINGS ELEM	149	25.43	$915	$33,957	$34,830	152	24.78	$1,868	$33,758	$35,540
SANDERS	HOT SPRINGS H S	75	11.69	$437	$24,260	$24,750	78	11.45	$910	$24,721	$25,740
SANDERS	NOXON ELEM	182	5.96	$0	$43,100	$43,100	185	5.96	$0	$43,810	$43,810
SANDERS	NOXON H S	112	2.97	$0	$36,960	$36,960	116	2.97	$0	$38,280	$38,280
SANDERS	PARADISE ELEM	49	11.66	$0	$10,780	$10,780	50	11.66	$0	$11,000	$11,000
SANDERS	PLAINS ELEM	313	21.03	$1,554	$72,286	$73,720	318	20.80	$3,156	$71,957	$74,870
SANDERS	PLAINS H S	171	12.55	$1,273	$55,193	$56,430	177	12.27	$2,636	$55,850	$58,410
SANDERS	THOMPSON FALLS ELEM	397	14.68	$687	$92,795	$93,330	403	14.60	$1,395	$93,663	$94,750
SANDERS	THOMPSON FALLS H S	202	10.19	$958	$65,925	$66,930	209	10.03	$1,982	$67,160	$69,240
SANDERS	TROUT CRK ELEM	92	3.88	$0	$20,240	$20,240	93	3.88	$0	$20,460	$20,460
SHERIDAN	HIAWATHA ELEM	16	5.62	$0	$3,520	$3,520	17	5.62	$0	$3,740	$3,740
SHERIDAN	MEDICINE LK EL	171	12.54	$0	$41,010	$41,010	174	12.54	$0	$41,720	$41,720
SHERIDAN	MEDICINE LK H S	84	7.45	$0	$27,955	$27,990	87	7.44	$0	$28,908	$28,980
SHERIDAN	OUTLOOK ELEM	54	8.28	$0	$12,680	$12,680	55	8.30	$0	$12,950	$12,950
SHERIDAN	OUTLOOK H S	25	5.27	$0	$8,250	$8,250	26	5.27	$0	$8,580	$8,580
SHERIDAN	PLENTYWOOD ELEM	370	16.04	$823	$85,213	$86,080	376	15.87	$1,672	$85,688	$87,450
SHERIDAN	PLENTYWOOD H S	171	10.35	$700	$56,643	$57,510	178	10.19	$1,456	$58,017	$59,820
SHERIDAN	WESTBY ELEM	77	11.23	$0	$17,840	$17,840	79	11.25	$0	$18,330	$18,330
SHERIDAN	WESTBY H S	36	6.57	$0	$11,880	$11,880	37	6.57	$0	$12,210	$12,210
SILVER BOW	BUTTE ELEM	3865	20.87	$17,343	$909,667	$926,950	3921	20.47	$35,170	$904,823	$939,870
SILVER BOW	BUTTE H S	1536	10.08	$7,940	$507,383	$514,710	1591	9.93	$16,441	$517,689	$532,860
SILVER BOW	DIVIDE ELEM	13	6.30	$0	$2,860	$2,860	13	6.30	$0	$2,860	$2,860
SILVER BOW	MELROSE ELEM	21	18.39	$124	$4,540	$4,620	22	18.06	$259	$4,673	$4,840
SILVER BOW	RAMSAY ELEM	141	5.79	$0	$32,570	$32,570	143	5.79	$0	$33,010	$33,010
STILLWATER	ABSAROKEE ELEM	266	12.35	$0	$61,820	$61,820	270	12.35	$0	$62,750	$62,750
STILLWATER	ABSAROKEE H S	136	6.10	$0	$44,880	$44,880	141	6.10	$0	$46,530	$46,530
STILLWATER	COLUMBUS ELEM	407	17.50	$1,274	$92,589	$93,890	413	17.25	$2,584	$92,621	$95,260
STILLWATER	COLUMBUS H S	148	8.53	$293	$48,444	$48,840	153	8.46	$605	$49,671	$50,490
STILLWATER	FISHTAIL ELEM	36	3.47	$0	$7,920	$7,920	36	3.47	$0	$7,920	$7,920
STILLWATER	MOLT ELEM	10	2.72	$0	$2,200	$2,200	10	2.72	$0	$2,200	$2,200
STILLWATER	NYE ELEM	4	1.04	$0	$880	$880	4	1.04	$0	$880	$880
STILLWATER	PARK CITY ELEM	236	27.82	$1,507	$53,317	$54,820	240	27.04	$3,066	$52,693	$55,750
STILLWATER	PARK CITY H S	122	21.56	$1,290	$38,897	$40,260	126	20.80	$2,665	$38,765	$41,580
STILLWATER	RAPELJE ELEM	47	3.74	$0	$10,890	$10,890	47	3.74	$0	$10,890	$10,890

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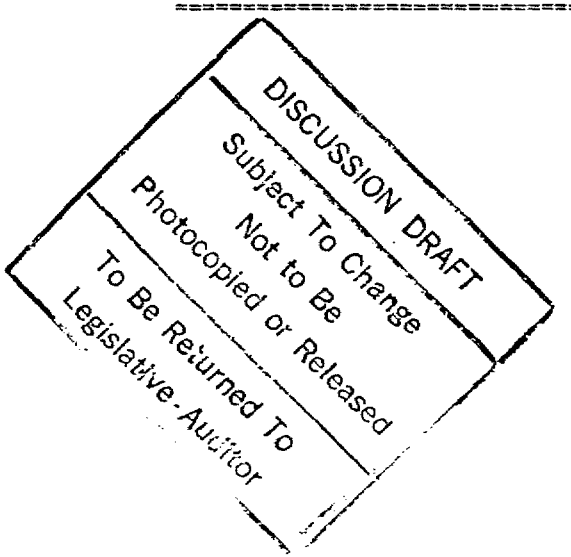
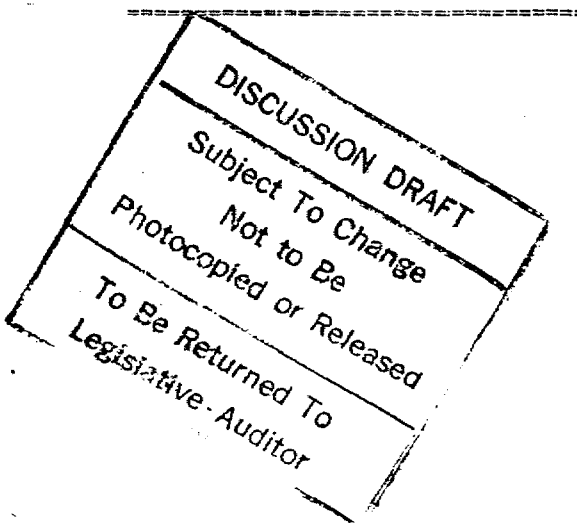
COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
STILLWATER	RAPELJE H S	28	2.70	$0	$9,240	$9,240	29	2.70	$0	$9,570	$9,570
STILLWATER	REEDPOINT ELEM	38	6.60	$0	$8,860	$8,860	38	6.60	$0	$8,860	$8,860
STILLWATER	REEDPOINT H S	22	5.55	$0	$7,260	$7,260	22	5.55	$0	$7,260	$7,260
SWEET GRASS	BIG TIMBER ELEM	331	16.97	$1,034	$76,747	$77,680	335	16.76	$2,093	$76,722	$78,610
SWEET GRASS	BRIDGE ELEM	8	31.29	$0	$1,705	$1,760	8	30.29	$0	$1,651	$1,760
SWEET GRASS	GREYCLIFF ELEM	26	6.26	$0	$5,720	$5,720	26	6.26	$0	$5,720	$5,720
SWEET GRASS	MCLEOD ELEM	7	2.97	$0	$1,540	$1,540	7	2.97	$0	$1,540	$1,540
SWEET GRASS	MELVILLE ELEM	25	4.16	$0	$5,500	$5,500	25	4.16	$0	$5,500	$5,500
SWEET GRASS	SWEET GRASS CO HS	206	8.14	$350	$67,572	$67,980	213	8.09	$723	$69,445	$70,290
TETON	BYNUM ELEM	36	12.83	$0	$7,901	$7,920	36	12.79	$0	$7,882	$7,920
TETON	CHOTEAU ELEM	330	14.35	$249	$77,813	$78,150	334	14.29	$505	$78,399	$79,080
TETON	CHOTEAU H S	163	7.59	$188	$53,645	$53,790	169	7.57	$390	$55,470	$55,770
TETON	DUTTON ELEM	109	6.31	$0	$24,980	$24,980	111	6.31	$0	$25,470	$25,470
TETON	DUTTON H S	45	3.73	$0	$14,850	$14,850	47	3.73	$0	$15,510	$15,510
TETON	FAIRFIELD ELEM	223	25.42	$1,307	$52,936	$54,240	226	24.79	$2,649	$52,309	$54,950
TETON	FAIRFIELD H S	146	14.74	$1,187	$47,187	$48,450	151	14.34	$2,455	$47,489	$50,100
TETON	GOLDEN RIDGE ELEM	31	15.64	$78	$6,743	$6,820	31	15.46	$157	$6,666	$6,820
TETON	GREENFIELD ELEM	69	19.92	$324	$15,739	$16,030	71	19.58	$667	$15,920	$16,520
TETON	PENDROY ELEM	12	2.48	$0	$2,640	$2,640	12	2.48	$0	$2,640	$2,640
TETON	POWER ELEM	119	17.78	$362	$27,238	$27,630	120	17.52	$729	$27,059	$27,850
TETON	POWER H S	51	9.84	$80	$16,596	$16,830	52	9.70	$163	$16,684	$17,160
TOOLE	GALATA ELEM	16	0.87	$0	$3,520	$3,520	17	0.87	$0	$3,740	$3,740
TOOLE	SHELBY ELEM	541	17.67	$1,699	$124,306	$126,050	549	17.42	$3,449	$124,370	$127,910
TOOLE	SHELBY H S	213	6.22	$0	$70,290	$70,290	221	6.22	$0	$72,930	$72,930
TOOLE	SUNBURST ELEM	231	9.22	$0	$53,670	$53,670	234	9.22	$0	$54,380	$54,380
TOOLE	SUNBURST H S	99	4.69	$0	$32,670	$32,670	103	4.69	$0	$33,990	$33,990
TREASURE	HYSHAM ELEM	133	6.02	$0	$30,710	$30,710	135	6.02	$0	$31,150	$31,150
TREASURE	HYSHAM H S	53	3.36	$0	$17,760	$17,760	55	3.36	$0	$18,420	$18,420
VALLEY	FRAZER ELEM	112	15.18	$36	$27,793	$27,920	114	15.11	$74	$28,152	$28,410
VALLEY	FRAZER H S	38	2.89	$0	$13,080	$13,080	39	2.88	$0	$13,410	$13,410
VALLEY	FT PECK ELEM	17	14.28	$90	$3,712	$3,740	18	14.18	$192	$3,901	$3,960
VALLEY	GLASGOW ELEM	735	15.10	$1,170	$170,686	$171,930	745	14.99	$2,372	$171,708	$174,230
VALLEY	GLASGOW H S	296	8.54	$882	$97,161	$97,950	306	8.47	$1,824	$99,618	$101,250
VALLEY	HINSDALE ELEM	69	3.99	$0	$16,030	$16,030	71	4.00	$0	$16,520	$16,520
VALLEY	HINSDALE H S	32	2.32	$0	$10,560	$10,560	33	2.32	$0	$10,890	$10,890
VALLEY	LUSTRE ELEM	60	5.25	$0	$13,200	$13,200	61	5.25	$0	$13,420	$13,420
VALLEY	NASHUA ELEM	138	15.64	$149	$32,317	$32,590	140	15.50	$303	$32,477	$33,030
VALLEY	NASHUA H S	71	9.85	$357	$23,656	$23,970	74	9.71	$743	$24,307	$24,960
VALLEY	OPHEIM ELEM	87	5.05	$0	$20,440	$20,440	88	5.04	$0	$20,660	$20,660
VALLEY	OPHEIM H S	49	3.92	$0	$16,170	$16,170	50	3.92	$0	$16,500	$16,500
WHEATLAND	HARLOWTON ELEM	207	21.20	$989	$47,758	$48,720	211	20.77	$2,015	$47,690	$49,650
WHEATLAND	HARLOWTON H S	113	5.48	$0	$37,290	$37,290	117	5.48	$0	$38,610	$38,610
WHEATLAND	JUDITH GAP ELEM	95	11.70	$0	$22,050	$22,050	96	11.69	$0	$22,270	$22,270
WHEATLAND	JUDITH GAP H S	31	6.74	$0	$10,230	$10,230	32	6.74	$0	$10,560	$10,560
WHEATLAND	SHAWMUT ELEM	11	4.07	$0	$2,420	$2,420	11	4.07	$0	$2,420	$2,420

Exhibit #5
2-21-93 HB-667

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON

03/20/93 01:23 PM HAN71.WK1 COUNTY	DISTRICT	FY94 TOTAL ANB	FY94 TOTAL CAPITAL OUTLAY MILLS	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY94 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT	FY95 TOTAL ANB	FY95 TOTAL CAPITAL OUTLAY MILLS	FY95 CAPITAL OUTLAY GTB SUBSIDY	FY95 LOCAL CAPITAL OUTLAY EFFORT	FY94 TOTAL CAPITAL OUTLAY ENTITLEMENT
WHEATLAND	TWO DOT ELEM	8	0.47	$0	$1,760	$1,760	8	0.47	$0	$1,760	$1,760
WIBAUX	WIBAUX ELEM	165	9.20	$0	$38,400	$38,400	168	9.20	$0	$39,110	$39,110
WIBAUX	WIBAUX H S	80	6.24	$0	$26,400	$26,400	82	6.24	$0	$27,060	$27,060
YELLOWSTONE	BILLINGS ELEM	10781	18.83	$42,010	$2,557,712	$2,596,550	10936	18.53	$85,177	$2,553,555	$2,632,300
YELLOWSTONE	BILLINGS H S	4896	9.79	$22,359	$1,628,942	$1,650,240	5069	9.66	$46,265	$1,663,260	$1,707,330
YELLOWSTONE	BLUE CREEK ELEM	100	12.42	$0	$21,983	$22,000	102	12.41	$0	$22,405	$22,440
YELLOWSTONE	BROADVIEW ELEM	74	2.12	$0	$17,990	$17,990	76	2.12	$0	$18,480	$18,480
YELLOWSTONE	BROADVIEW H S	42	1.61	$0	$13,860	$13,860	44	1.61	$0	$14,520	$14,520
YELLOWSTONE	CANYON CRK ELEM	215	24.85	$1,145	$48,569	$49,800	218	24.23	$2,323	$48,013	$50,510
YELLOWSTONE	CUSTER ELEM	71	7.50	$0	$16,370	$16,370	73	7.51	$0	$16,860	$16,860
YELLOWSTONE	CUSTER H S	33	4.91	$0	$10,890	$10,890	34	4.91	$0	$11,220	$11,220
YELLOWSTONE	ELDER GROVE ELEM	195	23.92	$1,059	$44,079	$45,150	199	23.34	$2,163	$43,894	$46,080
YELLOWSTONE	ELYSIAN ELEM	98	3.27	$0	$21,560	$21,560	100	3.27	$0	$22,000	$22,000
YELLOWSTONE	HUNTLEY PROJ ELEM	489	15.53	$984	$112,118	$113,130	497	15.39	$2,001	$112,933	$114,990
YELLOWSTONE	HUNTLEY PROJ HS	190	8.52	$554	$62,196	$62,700	197	8.45	$1,148	$63,965	$65,010
YELLOWSTONE	INDEPENDENT ELEM	168	19.70	$759	$36,237	$36,960	170	19.31	$1,537	$35,938	$37,400
YELLOWSTONE	LAUREL ELEM	1330	20.17	$6,021	$311,974	$317,580	1349	19.80	$12,211	$310,641	$322,010
YELLOWSTONE	LAUREL H S	592	12.64	$4,144	$191,853	$196,170	613	12.35	$8,581	$194,162	$203,100
YELLOWSTONE	LOCKWOOD ELEM	1182	21.49	$5,297	$268,126	$273,780	1198	21.04	$10,737	$265,991	$277,450
YELLOWSTONE	MORIN ELEM	33	4.14	$0	$7,260	$7,260	33	4.14	$0	$7,260	$7,260
YELLOWSTONE	PIONEER ELEM	75	16.91	$225	$16,264	$16,500	76	16.66	$455	$16,241	$16,720
YELLOWSTONE	SHEPHERD ELEM	521	28.31	$3,233	$118,400	$121,770	529	27.50	$6,565	$116,786	$123,630
YELLOWSTONE	SHEPHERD H S	230	14.25	$1,969	$74,246	$76,170	239	13.88	$4,092	$75,141	$79,140
		157,006		$709,733	$40,632,924	$41,345,050	160,253		$1,449,461	$40,798,848	$42,253,220





MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 21, 1993, at 6:10 p.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe opened this meeting by stating he would go directly down the list of items on the staff-prepared Amendments By Senate Select Committee and Senate Floor (Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes).

ITEM #1: Required 3 years (not 5) to reach BASE budget level.

MOTION/VOTE:

Senator Brown moved to go to five years instead of three years and the concept of incremental budget growth to remain the same, with the required growth percentages of 20%, 25%, 33 1/3%, 50%, and the remainder in the last year. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Rep. Hanson asked if the growth percentages were required minimums. Eddye McClure, Legislative Council staff, explained a school district must go at least 20% the first year. Chairman Towe said they may go the 104% if that is higher, but they can't go all the way to 80% without a voted levy. Andrea Merrill, Legislative Council staff said the amendment would read, in part, as follows: "The Trustees (a) may increase the General Fund budget for the district by 4% of the previous year or the

previous year's budget per ANB, or shall increase the budget by at least the following amounts: 20%, 25%, 33 1/3%, 50%, and the remainder". She will work out the exact language to insert into HB 667. Chairman Towe said this amendment is the gist of Senator Brown's amendment.

ITEM #6: Add "weighted" GTB for GF budgets of eligible districts.

MOTION:

Chairman Towe moved that the weighted GTB be eliminated.

DISCUSSION:

Chairman Towe said he thinks the weighted GTB is unfair; he thinks that true equity is an absolute mathematical GTB which is what is there without the weighted GTB. The weighted GTB is based on the regression formula which has arbitrary numbers built into it. He said the net impact benefits small schools, not large schools. He does not see any justification for doing that, and he urges that this Committee not adopt a weighted GTB.

Senator Stang argued that the weighted GTB does equalize, whether it is under the old formula or the new formula. The information he presented in an earlier meeting shows it absolutely equalizes the local mills used between the 40% and 80% base budget levels. If the current formula is used, it would equalize the permissive mills. The fine tuning of this bill is the weighted guaranteed tax base and if that is removed, it will affect the point where the per-pupil amount is no longer reduced (Stop/Loss point), which he has been told is a compromise that was made.

Rep. Peck said he agrees with the motion, but he suspects this is a vain effort at this point in time.

VOTE:

The motion FAILED 4-2 on Roll Call Vote (#1).

ITEM #7: Changed the Stop/Loss level on per-ANB entitlements.

MOTION:

Rep. Boharski moved that the Stop/Loss on elementary districts be moved to 2,000 ANB.

DISCUSSION:

Rep. Boharski said looking at the regression graph, the regression line is centered between the minimum line and the maximum line. If the Committee is trying to reflect that model, 2,000 is where the Stop/Loss number ought to be. That will free

up about $4.5 million that he would like see go back into the guaranteed tax base portion of the plan. He said he would leave the high school Stop/Loss at 800 ANB for the same reason he is arguing for the 2,000 elementary Stop/Loss.

Chairman Towe opposes this motion and said that if the Committee is not going to eliminate the weighted GTB, he thinks there is a disproportionate figure built into the system with this Stop/Loss in order to make it fair and equitable to the larger schools. He would have been willing to listen to a 1,500 Stop/Loss with elimination of the weighted GTB. He urged the Committee to not adopt this amendment.

Rep. Boharski said it is not a trade between the weighted GTB and the Stop/Loss.

VOTE:

The motion FAILED 5-1 on Roll Call Vote (#2).

MOTION/VOTE:

Rep. Boharski moved the Stop/Loss on elementary districts be moved to 1,500. The motion FAILED on Oral Vote with Representatives Boharski and Hanson voting "AYE".

Chairman Towe asked that the minutes to reflect there is no resolution of this issue, and it will remain open. The Chairman asked if there is any interest in the 1,500 versus the weighted Guaranteed Tax Base as a trade-off. Would the weighted GTB be reconsidered if there were support for the 1,500 Stop/Loss. There were no comments to this offer.

ITEMS #8 AND #21: Senate amendments resulted in state guaranteed tax base level of 191%; the General Fund appropriation.

DISCUSSION:

Chairman Towe suggested considering these two items together during a later meeting.

ITEM #10: Amended in Senate version of SB 32 (GTB aid for debt service fund).

DISCUSSION:

Rep. Hanson presented Exhibit No. 1, proposed amendments that have been worked out. Rep. Hanson suggested that SB 32 not be addressed at this time because his caucus has not had an opportunity to talk about this issue. The previous caucus said they were opposed to offering GTB for debt service mills versus an equalization plan that was not based on actual debt service mills but granted to all low-wealth districts annually. His group feels very strongly about an equalization plan and they do

not want equalization only for those who are fortunate enough to be in a position to build a school. The House and his caucus sent the entitlement plan forward.

Senator Brown asked who the architects of the compromise were. Pat Melby, Underfunded Schools Coalition, said the idea of capping debt service equalization was presented as a compromise. They felt the House had two issues on SB 32: (1) They wanted some way to cap the amount of State obligation, and (2) Rep. Hanson said he and the House members wanted to see a means to provide entitlement to all school districts. Mr. Melby said it was their feeling that the little projects they were talking about could be paid for out of the General Fund that would already be equalized dollars, and from the Plaintiff's perspective (in the lawsuit brought by the Underfunded Schools Coalition) the real problem with equalization is equalizing the debt service mills. They propose this as a compromise to give the House a capping mechanism. They feel that SB 32 came out of the Senate much more for equalization. The entitlement program that was developed by the House Education Committee is a good concept, but like a lot of good concepts, if it is not funded, it doesn't do anything. He doesn't think the House plan does anything for equalization. Unless it is funded at a very healthy level, it wouldn't do anything for equalization, and he can't see any way the Legislature will ever put much money into that. If it was funded at 100%, Helena Elementary School District would get $600,000 a year, whether they had a bond issue or not. The Underfunded Schools Coalition is very supportive of SB 32 the way it came out of the Senate with the capping mechanism on.

Chairman Towe asked if this would allow the school districts to go ahead and bond. Depending on how much the Legislature actually appropriates for this purpose, they would get a percentage of what their GTB would be. Mr. Melby said whatever the appropriation is, it would be pro-rated amongst all the school districts that had mill levies out there for capital outlay or debt service after the effective date of this Act.

Chairman Towe asked if there is a one-year delay in the funding because GTB would be based on the previous year's mill levy. Mr. Melby said this is correct.

Rep. Boharski asked Mr. Melby if bond counsel has looked at this proposal. Mr. Melby replied that he is not aware that bond counsel has looked at the proposed capping mechanism, but he assumes they are aware of SB 32 the way it came out of the Senate. Rep. Boharski said bond counsel indicated that either the House version or the Senate version of SB 32 would get the State out of the law-suit problems they are in. His concern is that under a proposal like this, the Legislature may come into tight times and fund it zero in one biennium, which would put the State in the same position it is in now. Mr. Melby said he couldn't see that the Legislature would be any worse off under this proposal than with the entitlement program. The entitlement

program, because there is so little money in it, does nothing for equalization. Bond counsel says that if anything at all is done with capital outlay funding, the new law is presumed to be constitutional until it is challenged in Court. Bonds will be able to be sold with unqualified opinions no matter what plan or funding is selected.

Eddye McClure will call Mae Nan Ellingson, bond counsel, specifically about this issue and ask if there is anything negative in this proposal that would cause any problems with bond counsel.

Andrea Merrill said she spoke with Ms. Ellingson and explained the compromise plan to her. Ms. Ellingson said it sounded like there were lots of good choices and she hoped the Legislature would settle on one.

Rep. Hanson said Ms. Ellingson had received the House version of SB 32 and is aware of it.

Chairman Towe said Item #10 will be passed over at this time and discussed at a later meeting.

ITEM #11: Based ANB Count on an average enrollment count.

DISCUSSION:

Chairman Towe hopes that this Committee will agree to use the enrollment for per-pupil funding. It seems to him that using ANB at this point is going backwards, and all computations would have to be based on figures that are a year and one-half old. The numbers would not be as familiar to the local districts, and they know exactly where they are with the October count from last year.

Rep. Hanson said he prefers to stick with the ANB and do some modification in two years.

Rep. Boharski said one of the reasons Senator Brown's motion to move to five years was supported was because it forced school districts up faster and, thereby, forced local tax levies up faster. It will cost an additional $5.8 million to move to enrollment versus ANB. It pushes the regression graph minimum and maximum lines up. It gives more budget authority to schools and creates more mandatory mills and more non-voted mills.

Chairman Towe asked if Rep. Boharski had looked at the information the Office of Public Instruction (OPI) gave the Committee. It shows FY 92-93 figures of $2 million predicted for enrollment increases over 6%. He asked if this would be an offset for the $5.8 million.

Greg Groepper, OPI, distributed Exhibit No. 2 to these minutes, and explained the chart. The chart shows Plenty Coups High School had an enrollment increase of 16 students. OPI had to discount the first three kids because that was within the 6%, and OPI paid on the next 13 kids. The amount paid out of the Foundation Program, based on the current schedules, was $47,305.96. The total increase in enrollment that OPI has processed so far for budget amendments or anticipated enrollment has been approximately 1,900 students, of which 796 they didn't pay for, and 1,099 they did pay for. Under the Foundation Schedules, this cost OPI $2,018,925.62 over what they are expected to pay out under the Foundation Schedules this year. Mr. Groepper said they would want to equalize on the most current information, not old information. When guaranteed tax base is being paid at a rate that is driven off an older enrollment figure, that number is a year and one-half out of date, as well.

Rep. Peck asked for clarification of the chart on Exhibit No. 2. Mr. Groepper explained that these are the schools that can anticipate their enrollment in the spring when putting the budget together and can levy the extra 35% that would be part of the budget cap, but OPI still has to discount the 6%. Rep. Peck asked if the first part of the list, starting on page 1, are budget amendments exceeding 6%; the second list are those that are anticipated. Mr. Groepper said OPI checks their October enrollment report on the districts that do the anticipated enrollment when they are doing the budget. On the districts that do the budget amendments, OPI uses the October enrollment report as well. If those students don't show up, then OPI has to recapture the Foundation program money.

Chairman Towe asked if the same 6% that is not paid for is excluded on the anticipated list also. Mr. Groepper said this is correct.

Senator Stang said if the Committee uses enrollment, you take an average of $3,000 per student, times 796 new students and that is $2.1 million.

Chairman Towe asked if there is a 6% rule under the new system at all. Senator Stang said there is not, if enrollment is used.

Mr. Groepper said the portion of the law that is being discussed here has not, to his knowledge, been significantly amended by HB 667. School districts could still come in for a budget amendment regardless of whether ANB is used or the enrollment criteria. That is intended for school districts that might have a great increase in students; they need to have some way to accommodate that increase especially if those children show up after the taxes have been levied. This section of law is intended to allow school districts that suffer unusual enrollment increases to at least get the State's share of the money to get them through that school year so they can put those kids in the

tax base the next year. Right now, that statute is not being affected, whether the Committee goes either of these two ways. What he is trying to point out is if the Committee goes with ANB and not enrollment, he anticipates the school districts that have enrollment increases will come in for budget amendments and the State will have an obligation to pay regardless of whether going ANB or enrollment. It seems a lot more convenient to him to get on with enrollment and get this thing current so they can know what it would be doing. The 796-student figure that the State didn't pay for could be either a lot smaller, or a lot larger, depending on where the enrollment increase shows up. OPI's projections now are that the enrollment increases are going to show up in the bigger school districts, which would mean a bigger portion of that which OPI would not pay for. This is a policy question and OPI's original suggestion was to avoid all the paper work of putting school districts through budget amendments to implement this bill because they are going to have a lot of work to get it on the books on July 1st anyway.

Rep. Peck said some of the kids involved in budget amendments established ANB in a district in the State for budget purposes the previous year, and are party to budget amendments because of getting into schools with 6% increases. He asked if OPI has a figure on this. Mr. Groepper said they have the fall 1992 enrollment report information and they have the budget amendments by the school districts. If HB 667 drives off 104% of their budget this year, a lot of the enrollment increases will already be in it. Rep. Peck said because some of those students moved and participated in budget amendments, OPI would be getting a double figure on those students. Mr. Groepper said some of that is true, especially in some districts where there is a large graduation from a middle school, so there was a large enrollment in the high school. Rep. Peck asked if going to an enrollment count would improve this in any way. Mr. Groepper said all the enrollment count will do is get the most current number for schools to do their budgets so they don't have to go through an additional paper work process in implementing this bill.

Rep. Peck said the $2 million figure (Exhibit No. 2) seems high to him; he would anticipate only half that amount. Because of some of the kids moving within the state, there would, in effect, be a double count in terms of financial budget affairs. Mr. Groepper said the way that could be controlled would be to base budgets on the enrollment count and then recalculate the entitlement based on the October enrollment count. That would put in what the real costs are for that particular school district in that year. The problem comes because school districts have to sign contracts with teachers. Recognizing that once those contracts are signed, if all the kids don't show up, the school district is still bound to honor the teacher's contract.

Rep. Peck said the argument is that the school gets new responsibilities; therefore, the State needs to fund it. But

the counter to that is that some schools lose responsibilities as the kids move out, but the money wasn't taken from that district when they no longer have that obligation.

Senator Stang said this is probably a good reason to use the enrollment count. If students are moving in the state, and the count is taken in October, if one district, for instance, loses 15 students from the February count, and another district gains 15 students in October, it will average out. The first district would get a reduction in enrollment, and the second district would get an increase, so it will balance out.

There were no motions on Item No. 11.

ITEM #12: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from the new impact aid fund to the general fund.

MOTION:

Rep. Boharski moved that the districts who receive PL874 revenue base their budgets for 1994 on their 1993 budget without the PL874 Funds (See Exhibit No. 3 to these minutes).

DISCUSSION:

Ms. McClure said there is a question about whether the Governor's office will accept that amendment. Item 12 is a Budget Office amendment.

Curt Nichols, a representative of the Governor's Budget Office, explained that the amendment makes the FY '93 to FY '94 transition comparable to what it will be in the future, so the '93 budget is segregated into the PL874 component and the non-PL874 component. The non-PL874 component is used in determining caps and minimums and maximums in '94. He doesn't believe there is a problem with Federal law, but there is a concern of some of the PL874 districts.

Chairman Towe said there may be a concern with the compliance with the PL874 law. Lynda Brannon, representing Indian Impact Aid Districts Association, said the Federal law states that if a State has taken into consideration payment under this title in a manner that will reduce State aid, then they shut off the whole thing. When Rep. Boharski's HB 62 of the July, 1992, Session came into place it showed on the fiscal note that it did reduce State aid, as this amendment would reduce State aid. Mark Smith, the attorney from the Department of Education, said on its face, because of the fiscal note and the intent, it does reduce State aid. The intent of this amendment is to save State subsidy. This amendment sounds like PL874 Funds are taken into consideration in reducing State aid.

Rep. Boharski said the amendment is not taking into account

PL874 Funds to reduce State aid. The Committee is simply saying that the budget is the budget; PL874 comes in on top. Two years ago the Legislature was told that it could not identify PL874 money because that violated the test. The PL874 money is now being put into a separate fund and districts are going to be able to put that on top of the budget with the State money, and it is uncapped. What Mr. Nichols is saying is to include the PL874 money and multiply that by 104% for the FY '94 budget. What this Committee is saying under this proposal is if a district wants to bring their PL874 money and put it on top of that, that is fine. In addition, that will be matched with GTB aid, pursuant to what the Senate Subcommittee said is a good idea. He said this doesn't cost the State anything one way or the other.

Senator Stang asked if anyone was present from OPI who might have a different view. Dori Neilsen said she tends to agree with Ms. Brannon that it is a serious legal issue. She questions whether the Legislature is clearly taking into account PL874 funds to accomplish the purpose of reducing State aid. It seems to her that action would reduce the State aid. Those were real expenditures and they were real expenses and the Legislature is taking them out for the future, but to identify them in order to reduce State aid may be jeopardizing all of the funds to the State. Chairman Towe asked if OPI could get a legal opinion on this within the next few hours. She was not sure if she could.

Chairman Towe distributed Exhibit No. 3.

ADJOURNMENT

Adjournment: The meeting adjourned at 7:00 p.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-21-93 3:00 p.m.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

ROLL CALL VOTE #1

(FREE) CONFERENCE COMMITTEE > BILL NO. HB667

DATE 4-21-93 TIME 6:10 A.M. (P.M.)

NAME	YES	NO
Sen. Towe	✓	
Sen. Stang		✓
Sen. Brown		✓
Rep. Boharski		✓
Rep. Peck	✓	
Rep. S. Hanson		✓

Bonnie Stark
SECRETARY

Tom Towe
CHAIR

MOTION: Eliminate Weighted Lot Tax

Failed 4-2

ROLL CALL VOTE #2

(FREE) CONFERENCE COMMITTEE > BILL NO. HB667

DATE 4-21-93 TIME 6:10 A.M. (P.M.)

NAME	YES	NO
Sen. Towe		✓
Sen. Stang		✓
Sen. Brown		✓
Rep. Boharski	✓	
Rep. Peck		✓
Rep. S. Hanson		✓

Roxie Stark
SECRETARY

Tom Towe
CHAIR

MOTION: Move to 2.00 Top/Loss

Failed 5-1

Free Conf Comm
SENATE TAXATION
EXHIBIT NO. 1
DATE 4-21-93
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

For the Conference Committee on HB 667

Prepared by Andrea Merrill
April 21, 1993

1. Title, page 3, line 10.
Following: "ANB;"
Insert: "LIMITING STATE SUPPORT FOR SCHOOL FACILITY EQUALIZATION TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995; ALLOWING THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO PRORATE TO ELIGIBLE DISTRICTS THE AVAILABLE APPROPRIATION FOR EQUALIZATION OF DEBT SERVICE FUNDS;"

2. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of guaranteed tax base aid for the debt service funds of districts, limiting the distribution of state equalization aid to no more than $$700,000 for the school fiscal year ending June 30, 1994, and $1.3 million for the school fiscal year ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [section 39] by:

(i) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued after [the effective date of this section] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 39];

(ii) based on the limitation of state equalization aid for debt service purposes in this subsection, determining the percentage of guaranteed tax base aid that each eligible district will receive;

(iv) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(iii) determining at the end of a school fiscal year or a biennium if there is an unused portion of the amount of state equalization aid appropriated in this subsection to be carried into either the next school fiscal year or the next biennium for the purposes of this subsection."
Renumber: subsequent subsections

3. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) guaranteed tax base based on the debt service mills for the prior school fiscal year that qualified for aid under the provisions of 20-9-366 through 20-9-369, [section 30], and 20-9-346;"
Renumber: subsequent subsection

Joint Corr. Comm.
~~SENATE TAXATION~~
EXHIBIT NO. 2
DATE 4-21-93 #2
BILL NO. HB667

04/21/93 ENROLLMENT INCREASES - FUNDING AMOUNTS - FISCAL YEAR 1992-93

	6% ENROLLMENT INCREASES	FUNDED ANB INCREASES	FUNDING AMOUNTS OVER 6%
BIG HORN COUNTY			
1214 Plenty Coups HS	3	13	$47,305.96
BROADWATER COUNTY			
0055 Broadwater HS	12	7	$13,451.90
CASCADE COUNTY			
0131 Ulm Elementary	6	18	$16,013.78
CUSTER COUNTY			
0187 Kinsey Elem	3	2	$4,382.38
FLATHEAD COUNTY			
0308 Fair-Mont-Egan Elem	9	25	$37,706.00
0323 Kila Elem	7	17	$32,152.00
0324 Smith Valley Elem	9	17	$29,990.00
0327 Somers Elem	22	45	$76,668.04
0331 Bigfork HS	19	26	$64,340.90
1184 West Valley Elem	16	19	$32,252.68
GALLATIN COUNTY			
0360 Three Forks Elem	16	10	$16,802.72
0364 Gallatin Gateway Elem	9	15	$31,581.45
0366 Anderson Elem	10	8	$16,003.30
0374 West Yellowstone K-12 (Elem)	9	8	$11,183.00
0375 Ophir Elem	4	6	$12,799.26
0376 Amsterdam Elem	3	14	$14,932.47
GLACIER COUNTY			
0403 Cut Bank HS	17	8	$15,600.00
0404 East Glacier Elem	4	8	$16,922.96
GOLDEN VALLEY COUNTY			
0410 Lavina Elem	3	35	$71,270.00
HILL COUNTY			
0424 Davey Elem	1	9	$16,763.00
1207 Rocky Boy Elem	22	11	$12,140.40
JEFFERSON COUNTY			
0455 Basin Elem	1	6	$5,928.00
0460 Montana City Elem	14	12	$22,148.34
LAKE COUNTY			
0481 St Ignatius Elem (EL&HS)	37	13	$27,000.00
1199 Ronan Elem	66	24	$46,770.80
1206 Charlo HS	5	17	$24,083.56
LIBERTY COUNTY			
1224 Liberty Elem	1	45	$102,228.24
MADISON COUNTY			
0543 Harrison HS	3	3	$12,874.92
MINERAL COUNTY			
0578 Superior Elem	19	9	$21,337.65
0582 St Regis HS	4	10	$28,219.20

04/21/93 ENROLLMENT INCREASES - FUNDING AMOUNTS - FISCAL YEAR 1992-93

	6% ENROLLMENT INCREASES	FUNDED ANB INCREASES	FUNDING AMOUNTS OVER 6%
MISSOULA COUNTY			
0586 Hellgate Elem	59	24	$47,658.00
0592 DeSmet Elem	7	27	$56,631.53
0596 Swan Valley Elem	5	5	$8,980.09
PARK COUNTY			
0613 Livingston HS	29	9	$20,801.70
POWELL COUNTY			
0719 Elliston Elem	2	9	$5,571.00
0720 Avon Elem	2	15	$22,588.00
RAVALLI COUNTY			
0731 Corvallis K-12 (HS)	18	12	$21,600.00
0735 Hamilton K-12 (EL)	55	45	$47,182.56
0743 Florence-Carlton K-12 (EL&HS)	41	29	$54,494.00
ROSEBUD COUNTY			
0792 Lame Deer Elem	19	80	$50,526.07
0800 Ashland Elem	7	13	$26,262.71
SANDERS COUNTY			
0803 Plains HS	10	6	$11,140.10
0805 Thompson Falls HS	11	20	$43,314.00
0811 Noxon Elem	12	9	$14,881.95
SILVER BOW COUNTY			
0843 Divide Elem	1	1	$988.00
TETON COUNTY			
0889 Bynum Elem	3	22	$57,794.00
0896 Golden Ridge Elem	2	11	$33,580.44
0898 Pendroy Elem	1	23	$35,247.00
TOOLE COUNTY			
0902 Sunburst Elem	14	11	$18,283.48
VALLEY COUNTY			
0940 Fort Peck Elem	1	8	$14,563.00
YELLOWSTONE COUNTY			
0968 Blue Creek Elem	6	12	$16,417.00
0981 Elysian Elem	6	38	$73,712.08
BEAVERHEAD COUNTY			
0006 Beaverhead CO HS	25	32	$79,840.00
CARBON COUNTY			
0072 Fromberg HS	4	4	$9,980.00
FLATHEAD COUNTY			
0316 Creston Elem	5	7	$13,391.00
GALLATIN COUNTY			
0348 Manhattan HS	11	4	$9,980.00
GARFIELD COUNTY			
0382 Van Norman Elem	1	8	$15,304.00

Free Conference Com
Exhibit #2
4-21-93 #2
HB-667

04/21/93 ENROLLMENT INCREASES - FUNDING AMOUNTS - FISCAL YEAR 1992-93

	6% ENROLLMENT INCREASES	FUNDED ANB INCREASES	FUNDING AMOUNTS OVER 6%
LAKE COUNTY			
0483 Valley View Elem	2	3	$5,739.00
LEWIS & CLARK COUNTY			
0498 Auchard Creek Elem	2	1	$1,913.00
LINCOLN COUNTY			
0533 Yaak Elem	1	5	$9,565.00
MISSOULA COUNTY			
0598 Frenchtown K-6	27	48	$91,824.00
0598 Frenchtown 7-8	8	12	$29,940.00
0599 Frenchtown HS	15	16	$39,920.00
RICHLAND COUNTY			
0747 Savage 7-8	2	8	$19,960.00
ROOSEVELT COUNTY			
0784 Bainville 7-8	1	6	$14,970.00
0787 Froid HS	3	2	$4,990.00
ROSEBUD COUNTY			
0792 Lame Deer K-6	17	39	$74,607.00
0792 Lame Deer 7-8	3	9	$22,455.00
TETON COUNTY			
0889 Bynum Elem	3	3	$5,739.00
TOOLE COUNTY			
0915 Galata Elem	1	3	$5,739.00
TOTALS	796	1099	$2,018,925.62

Joint Conf Comm.
SENATE TAXATION
EXHIBIT NO. 3
DATE 4-21-93
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Conference Committee on House Bill 667
For the Committees of the Whole

Prepared by Eddye McClure
April 20, 1993

1. Page 12, line 17.
Following: "(A)"
Strike: "If"
Insert: "Except as provided in subsection (7), if"

2. Page 12, lines 18 and 19.
Following: "beginning"
Strike: remainder of line 18 through "SECTION]"
Insert: "July 1, 1994,"

3. Page 17, line 19.
Following: "(3)"
Strike: "WHENEVER"
Insert: "Except as provided in subsection (7), whenever"

4. Page 18, line 11.
Following: "(A)"
Strike: "IF"
Insert: "Except as provided in subsection (7), if"

5. Page 19, line 24.
Following: line 23
Insert: "(7) When calculating the general fund budget or general fund per-ANB budget for the school fiscal year beginning July 1, 1993, a school district shall subtract any budgeted Public Law 81-874 receipts and reappropriated Public Law 81-874 funds for the school fiscal year ending June 30, 1993."

HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR

1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191% (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 22, 1993, at 10:45 a.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Tom Towe opened the meeting by stating he would continue with the list of items on the staff-prepared Amendments By Senate Select Committee and Senate Floor (Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes). He said there are two issues to be resolved in this meeting, if possible. They are Item #12, the PL 874 issue, and Item #10, the capital outlay and debt service equalization issue.

ITEM #12: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from new impact aid fund to general fund.

Eddye McClure, Legislative Council Staff, said she has an amendment proposal and presented Exhibit No. 1 to these minutes (HB066734.AEM). Ms. McClure said this proposal is basically what Curt Nichols, a member of the Governor's Budget Office, presented during the last meeting. There is still a disagreement between Mr. Nichols and Lynda Brannon, a representative of the Indian Impact Aid Districts Association, on what the affect of this amendment would be and what the Federal authorities would say about it. She has asked both parties to be prepared to factually substantiate their sides of the issue during this meeting.

Ms. McClure said this is transition language--how to get PL874 funds into the new fund. The debate is on whether HB 667 inadvertently or intentionally reduces State aid by moving the PL874 funds to a separate account.

Curt Nichols explained that in FY '94, the caps and the minimum growth limits are driven off the FY '93 budget. The language in HB 667 now would include the FY '93 budget, including the PL874 funds. What this amendment will do is segregate the FY '93 budget into two parts: the PL874 part and the regular budget, which then becomes the equalized HB 667.

Chairman Towe asked if it is being segregated only for calculating the FY '94 budget, and that is what is meant by the transition rule. Mr. Nichols said this is correct.

Lynda Brannon said that by removing the anticipated and reappropriated dollars in the FY '93 budget, the State is reducing many of those districts down below the 80% level, and this will virtually off-set the State revenue that districts would have available to them.

Chairman Towe asked Ms. Brannon if she is saying that this transition rule to separate the FY '93 budget could reduce a district's GF budget to below the 80% level. Ms. Brannon said it would reduce State aid because many districts show up as budgeting way below 80%.

Chairman Towe asked if a district would get more State aid when going below the 80%, instead of less State aid. Ms. Brannon said they would not because they are limited to either 20% or 104% growth. Chairman Towe said these districts would have to levy to get to the 20%, but aren't those districts also entitled to a larger percentage of GTB as a result? Ms. Brannon said no, because the closer the district is to 80%, the more they are going to have to levy. The amount of the levy is what GTB subsidy is paid on. The lower the district budget is, the less the mill levy, the less the State aid.

Rep. Boharski explained the reason for this is because if the PL874 is taken out of the budget amount, the district will drop down to, for instance, to 60%. In the first year, if they only go 1/5 of the way to close the gap, that is all they will get GTB money on. If the PL874 money is left in there, they will probably be somewhere above the 80%, so they will get GTB on everything up to 80%, whether it is mill levies or matching PL874 money with State money. They will get the whole range from 60% to 80% subsidized. If PL874 money is taken out and they start at 60%, they will have less to subsidize because the budget the State subsidizes might only grow to 68% or whatever.

Chairman Towe asked if the GTB will be based on the 80%. Rep. Boharski said the GTB will be based on the amount below 80% that is defined as the district budget. If the district is moved

down and then takes five years to move up to 80%, the first year the State will only subsidize, for example, 67% or 68%. If the PL874 is left in their budget, they are already over the 80%, so the first year the State is subsidizing everything up to 80%. It will cost the State more in subsidy.

Chairman Towe asked how this would reduce GTB. Mr. Nichols said it wouldn't. What we are talking about is whether we increase GTB a little bit, or a lot. The only way to argue that it decreases GTB is to assume a district already could get the 80%, which is the way HB 667 reads now, and they would get less under this amendment. The district will get a 20% increase and GTB on it. With this amendment, the district will not go all the way to 80% right away.

Rep. Peck asked Rep. Mike Kadas if he has an observation on this issue. Rep. Kadas said the way the bill reads now, PL874 funds can be used to match GTB all the way up to the 80% amount. He is not clear whether using that will require a vote or not. If it doesn't require a vote, then it seems easy for a district with PL874 to get to the 80% without any difficulty at all. If they do require a vote to use the PL874 funds for the match on the GTB, then there might be a problem. He can't imagine a school district voting down the use of GTB to displace local millage. Rep. Kadas said he doesn't think this is a major impact on the PL874 districts. He thinks they can get to the 80% without a considerable effort, and then all the rest of their PL874 money is in the separate account and they have fewer restrictions on using that money than there are on the general fund monies.

Chairman Towe asked if the reason a district would get less GTB State assistance is if HB 667 froze the budget below 60% and there is a cap of 20% the first year, it would come up to 67%, for instance. At 67% the district would have less GTB subsidy coming in than if it was at 80%, where they would get the maximum GTB subsidy. Rep. Kadas said that is the argument, but he thinks there is some clear argument in opposition to that idea. For instance, if they are at 60% and the district is limited under HB 667 of only going to 67%, even though they could go to 80% with a vote, and if all the PL874 money is included in their budget, assuming they were at 85%, that means they still have a big chunk of PL874 money that is there on the side and it is presumed they will get that same amount next time. If they continue to get this same amount, they will still be able to get to the same level of budget that they are at now. If something happens at the Federal level, and that PL874 money evaporates, then there is a serious problem. However, as long as there is still PL874 money, the district can get to the same amount, plus they will be getting increased State dollars phased in over five years. That is in case they don't vote to use the PL874 money to displace local property tax effort.

Rod Svee, Superintendent of Schools, Hardin, spoke to this issue saying HB 667, by itself, is not a problem for PL874 money. The difficulty with this amendment is that it creates a base year based on the old funding structure. To the extent that this amendment forces an equalization of PL874 dollars, there is a problem. If taking away State aid through HB 28 drops a district to 63%, for instance, that creates the loss of State aid under HB 667.

Rep. Boharski asked Mr. Svee what his budget is now and what percentage of that is PL874 money. Mr. Svee said the Hardin Elementary budget is approximately $4.7 million and $1.184 million is PL874 money.

Jim Gillett, Office of the Legislative Auditor, said with the PL874 money in the base, at the end of FY '94, Hardin Elementary would be at 100% of the maximum.

Rep. Boharski said if $1.5 million is pulled out, Hardin Elementary will go down to approximately 75%.

Mr. Svee said that the districts that have stayed within the caps have stayed at the 4%, or in the case of the Hardin high school which lost its levies last year, they cut below 4%. There are some districts that have not stayed within the caps, and they would be ones impacted more by the amendment than Hardin will be.

MOTION:

Rep. Boharski moved adoption of the amendment as shown on Exhibit No. 1, with a wording change to (7): "For the purposes of this section, the General Fund budget for Fiscal Year ending June 30, 1993, is the General Fund budget which is funded by any State, local, and Federal funds excluding receipts for reappropriated Public Law 81-874 funds."

DISCUSSION:

Rep. Boharski said the reason he is changing the language in this amendment is he is leery of the previous language which used the word "subtract" because it could present legal problems. It is clearly stated that everybody's budget is a certain way, and everybody is treated the same.

Chairman Towe asked if this would replace the present language in (7). Ms. McClure explained this is just rearranging the language in (7).

Chairman Towe said this language will allow us to do what the Federal government wants done; that is, to exclude PL874 funds from the General Fund budgets and put that money into a separate account. We want to make sure there is no problem in making the transition, and going back to the FY '93 budget as

segregated will work.

Ms. McClure said her conversations with the Federal government indicate they do not look at the State's intent, they look at the effect.

Rep. Boharski said the Budget Office estimates that the transition language is worth a savings of approximately $3.6 million.

VOTE:

The motion CARRIED on oral vote, with Senator Stang voting "NO". (HB066734.AEM)

ITEM #3: Removed "optional" vote between BASE budget level and 90% level.

DISCUSSION:

Chairman Towe asked Rep. Kadas to explain his concerns with this issue. Rep. Kadas said this relates to the growth caps between the 80% and 100% BASE budget levels. The way HB 667 reads now, the cap is 104% of the previous year's budget, with a vote to go any amount above that. He thinks there is a balance to be found with the property tax system and the Legislators are responsible for funding this, not just school trustees. With HB 667, this control has all been turned over to trustees and gives them a lot of authority over property tax. What he suggests, is to allow a permissive to 100% of the previous year's budget, on either a straight dollar amount or per ANB amount, and allow 4% growth over that amount on a voted levy.

Rep. Kadas used the illustration of Ravalli County as a low-effort property tax county. They do not vote additional mills to fund their schools. They are funding their schools on 135%--the State share and the GTB amount. The budget percentage level for most districts in Ravalli county ranges between 65% and 80%. Every district that is currently spending above a 75% average is voting mills now. When the permissive levy is limited to 100% of their actual budget, a number of districts who are currently voting mills will not have to vote them anymore. Missoula County districts, for instance, could go all the way to 90% on a permissive, with no vote whatsoever. If they wanted to go to 94%, they would have to go to a vote. He thinks this is plenty of flexibility, and he is concerned about the impacts on the property tax system, and what the property taxpayers' response will be to HB 667. Rep. Kadas said allowing a permissive on the current budget only is a compromise. It is a big step to afford schools that much flexibility, and give them inflationary growth over that if they can go out and get the vote. Now, most districts are going out to get the voted approval. He thinks the voters need to continue to be involved in the inflationary increases.

Eric Feaver, Montana Education Association (MEA), said there are probably a dozen representatives of the education community in this room who would say this has been the very issue they have been fighting for throughout this session--the opportunity for trustees to exert their authority and to be held accountable for doing so. Mr. Feaver said he is one of the people not optimistic that trustees will go the 104% all over the State. He doesn't see an exorbitant rush to grab the highest possible dollar. The trustees may be even more sensitive to what could potentially happen to them and their school communities in light of the recent school bond elections that failed. Mr. Feaver suggests providing that as the budget increase, and then let the voters decide on the merits of that decision when they elect the trustees. Mr. Feaver urged this Committee not to go to Rep. Kadas' point of view. He thinks that is a step backwards. Greater accountability should fall to the school trustees and they should see themselves more intimately involved in the decision-making process, instead of simply passing those things on.

Chairman Towe asked Mr. Feaver about Cascade County figures. The elementary schools in Great Falls are at 90%. He asked Mr. Feaver if what he is saying is that for the FY '93 budget year, they can't levy the full budget they requested since they couldn't get their mill levy passed. However, for the FY '94 year, after HB 667 is passed, then Great Falls elementary schools would be able to go to the same budget without a vote. Mr. Feaver said he couldn't answer for the Great Falls trustees, but he thinks they will be responsive just as the Legislators are.

Chairman Towe asked Mr. Feaver if, throughout the state, most of the school districts between the 80% and 100% are on a voted budget at the present time. So what this Legislature will do will be to allow the same trustees to take that budget and go up to as much as 104% without a vote, even though at the present time all of them have to have a vote to get there. Mr. Feaver said the $32 million is taken out of school funding, and mills go up in most districts, the trustees are not going to look at even permissively imposed mill increases of the magnitude being considered here.

Senator Stang asked if there is anything in HB 667 that prohibits the trustees, rather than doing it permissively, to put it out for a vote. If they decide that they don't want to do this permissively, do they have the option of putting it out for a vote? Mr. Feaver said he hopes the language in this bill is not confusing, but permissive means at the option of the trustees, not of the voters. If it is permissive, then it is the trustees' obligation to impose.

Rep. Boharski said he had inserted language in HB 667 which would do what Mr. Feaver suggested, that would have left it up to the local board of trustees to go to a vote if they so chose. If they wanted to do it without a vote, then they could do it

without a vote. However, this language was taken out of the bill. Ms. McClure said that language appeared on Page 1, Line 25, and has been stricken from HB 667.

Pat Melby, Underfunded Schools Coalition, said Rep. Kadas presented his proposal as a compromise. The way this bill came out of the House, the people in the educational community opposed it vigorously and wanted the permissive authority up to the current level. HB 667 is the compromise. He urges this Committee to hold tight with that compromise, and not accept something from Rep. Kadas that he has been unsuccessful in getting into the bill all along. The compromise worked out is that the educational community was asking for permissive levies to 100%, that they only have to vote it if they are over 100%. The way it came out of the House, there was the vote between 80% and 90%, the option to vote. If the trustees have the right (the permissive ability) to raise the levies, or the option to vote, that ends up being a vote. It may as well be set as a vote; don't play a game and say it's permissive. HB667 will be placing a huge mill increase on a lot of school districts, and those districts, in order to catch up with inflation, are going to have to go out to a vote that they will lose.

Rep. Kadas responded that there is some confusion here. He is talking about tying this to 100% of the previous year's budget. The educators are talking about 100% of the maximum entitlement.

Rep. Peck asked for clarification. Is Rep. Kadas saying a school district would be allowed to go 100% of the previous year's budget plus the 4%? Rep. Kadas said "no". He is saying the trustees would go to 100% of the previous year's budget, or 100% of the previous year's budget per ANB per enrollment, and could go to 104% of the previous year's budget or the previous year's budget per ANB only with a vote.

Rep. Alvin Ellis said as HB 667 came out of the House it was quite different because there was the opportunity of a board to put the budget up for a vote if they chose between 80% and 100% of the goal. They could do it permissively or put it to a vote, except when they reached 90%, and it was then automatically voted. They have districts rejecting levies that are down in the 70% bracket, and now they are forcing them to go up. He can understand going to 80% and forcing them to do that, but once above 80%, they get no State support. Rep. Ellis said he is with Rep. Kadas on this proposal.

MOTION:

Rep. Boharski moved that any increase that is not mandatory would be optional to a voted levy, and it is up to the board of trustees to make that determination. This would not raise any caps and it wouldn't go above any limitations a district presently has.

DISCUSSION:

Senator Brown said the whole system of funding education is to get the schools between the 80% band and 100% band and keep them there. If a school board is put in a position of having to make a choice of whether to run a levy election or not, he thinks Mr. Melby is right. For the most part, they are going to put it out to the people for a vote; they will duck the issue, particularly if it involves property taxes. It makes sense to him to recognize that inflation is a fact. If 4% is a reasonable definition of inflation, and the trustees have the permissive authority to raise their budgets up to 4% if they choose to do so, it seems a better guarantee the districts will stay within the 80% and 100% range. He opposes the motion.

Chairman Towe is persuaded there could be a problem in some districts where the State is forcing them to go up fairly substantially in their mill levies, and to add inflation may cause some hardships. He thinks the motion is not a good idea.

Rep. Boharski said under the current law, one of the reasons the districts are concerned is that some districts have passed 4% for at least three years. If they lose one election, they go down 12%. That is why they are afraid of losing the elections. Under what he is proposing, they don't lose anything; they just stay where they were and they get an ANB adjustment if they need it.

Rep. Peck said his reservation about the optional vote is different from Senator Brown's. He is not sure the trustees would feel compelled to go out for the vote; he thinks the opposite would be true. His reservation is that if it is put out on an optional basis and they vote it down, isn't the authority still with the board that they can go ahead with it under HB 667.

VOTE:

The motion FAILED 4-2 on Roll Call Vote (#1).

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

MOTION:

Senator Stang moved adoption of the amendment offered at the April 21st meeting as Exhibit No. 1, a copy of which is attached to these minutes. (HB066723.aam)

DISCUSSION:

Senator Stang said this is the so-called compromise that puts the cap on school facility equalization funding at $2 million. The members of his caucus have said that Rep. Hanson's proposal might have some merit if it was fully funded. If it is

fully funded, there would be school districts getting an enormous amount of money they won't know how to spend. However, the chance of that getting fully funded is probably close to zero. It seems to be the wish of the educational community and his caucus that since there is such a restricted amount of money to use, it does more good to give that money to schools who currently need it because of growth and who are in need of new buildings, rather than to distribute it in smaller amounts to areas where it isn't needed.

Rep. Hanson said he will vote against this amendment. Their caucus has not had a chance to study this issue.

Chairman Towe said he has some difficulty understanding Rep. Hanson's proposal of dividing the $2 million among every district. There is not enough money to make an impact on each district. If there are some schools that need some help, we need to do something to help them.

Rep. Hanson agreed that the amount of funding is a big issue. However, the small districts that are not expanding will have to spend money on health and safety issues, accreditation and normal capital modifications. Some of these small expenses do not justify bonding. They are also concerned that once the process is started, the State will never go back to a true equalization procedure. It will get back to subsidizing those school districts that are fortunate enough to pass a bond issue.

Ms. McClure said she did visit with Mae Nan Ellingson, Dorsey Whitney bond counsel, on this issue. Ms. Ellingson's comments on the cap was that bond counsel might approve bonds in spite of the biennial amount. The only problem is, they want to make sure that if there is a cap on any proposal, it is very clear that the general obligation of the school district was obligated to levy the amount in case the State did not. Ms. Ellingson wanted the Committee to know that as far as bond counsel is concerned, any concept picked out, if it is part of HB 667 as a whole new system, will be a stronger presumption of equalization. They would not get into a situation of trying to judge the adequacy of either program. Their preference is that it be part of a big system, but they would not judge the adequacy, and they would issue bonds and presume that there was constitutionality until someone said otherwise.

Senator Brown said there is not enough money to fully equalize school facilities and it seems to him that either concept is imminently challengeable. If there is a lid put on this, what happens to the districts that come in after the money is used up. Or, on the other hand, the money is spread so thin, there isn't anything in it for anybody. Either way, there is a big problem. The Senator said he is voting against this motion because he thinks Rep. Hanson and Rep. Boharski ought to have the opportunity to go back to their caucus and see if they can come back with a different idea.

Senator Stang said that his intent in making the motion is to force this issue back to caucus.

VOTE:

The motion FAILED 4-2 on Roll Call Vote (#2).

ADJOURNMENT

Adjournment: The meeting adjourned at 11:50 a.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-22-93 10:45 A.M.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

ROLL CALL VOTE #1

(FREE) CONFERENCE COMMITTEE > BILL NO. HB667

DATE 4-22-93 TIME 10:45 (A.M.) P.M.

NAME	YES	NO
Sen. Towe		✓
Sen. Stang		✓
Sen. Brown		✓
Rep. Boharski	✓	
Rep. Peck		✓
Rep. S. Hanson	✓	

Dennis Stark
SECRETARY

Tom Towe
CHAIR

MOTION:

Failed 4-2.

ROLL CALL VOTE #2

(FREE) CONFERENCE COMMITTEE > BILL NO. HB667

DATE 4-22-93 TIME 10:45 (A.M.) P.M.

NAME	YES	NO
Sen. Towe	✓	
Sen. Stang	✓	
Sen. Brown		✓
Rep. Boharski		✓
Rep. Peck		✓
Rep. S. Hanson		✓

Bonnie Stark
SECRETARY

Tom Towe
CHAIR

MOTION: _____

Failed 4-2

Free Conf. Comm.
SENATE TAXATION
EXHIBIT NO. 1
DATE 4-22-93
BILL NO. HB667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Conference Committee on House Bill 667
For the Committees of the Whole

Prepared by Eddye McClure
April 20, 1993

1. Page 12, line 17.
Following: "(A)"
Strike: "If"
Insert: "Except as provided in subsection (7), if"

2. Page 12, lines 18 and 19.
Following: "beginning"
Strike: remainder of line 18 through "SECTION"
Insert: "July 1, 1994,"

3. Page 17, line 19.
Following: "(3)"
Strike: "WHENEVER"
Insert: "Except as provided in subsection (7), whenever"

4. Page 18, line 11.
Following: "(A)"
Strike: "IF"
Insert: "Except as provided in subsection (7), if"

5. Page 19, line 24.
Following: line 23
Insert: "(7) When calculating the general fund budget or general fund per-ANB budget for the school fiscal year beginning July 1, 1993, a school district shall subtract any budgeted Public Law 81-874 receipts and reappropriated Public Law 81-874 funds for the school fiscal year ending June 30, 1993."

HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR

1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191%
   (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

Final Conf. Comm
SENATE TAXATION
EXHIBIT NO. 1
DATE 4-21-93
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

For the Conference Committee on HB 667

Prepared by Andrea Merrill
April 21, 1993

1. Title, page 3, line 10.
Following: "ANB;"
Insert: "LIMITING STATE SUPPORT FOR SCHOOL FACILITY EQUALIZATION TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995; ALLOWING THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO PRORATE TO ELIGIBLE DISTRICTS THE AVAILABLE APPROPRIATION FOR EQUALIZATION OF DEBT SERVICE FUNDS;"

2. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of guaranteed tax base aid for the debt service funds of districts, limiting the distribution of state equalization aid to no more than $$700,000 for the school fiscal year ending June 30, 1994, and $1.3 million for the school fiscal year ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [section 39] by:

(i) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued after [the effective date of this section] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 39];

(ii) based on the limitation of state equalization aid for debt service purposes in this subsection, determining the percentage of guaranteed tax base aid that each eligible district will receive;

(iv) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(iii) determining at the end of a school fiscal year or a biennium if there is an unused portion of the amount of state equalization aid appropriated in this subsection to be carried into either the next school fiscal year or the next biennium for the purposes of this subsection."
Renumber: subsequent subsections

3. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) guaranteed tax base based on the debt service mills for the prior school fiscal year that qualified for aid under the provisions of 20-9-366 through 20-9-369, [section 30], and 20-9-346;"
Renumber: subsequent subsection

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 22, 1993, at 5:20 p.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe opened this meeting by stating he would like to get Item #10, Amended Senate version of SB 32 (GTB aid for debt service fund), resolved during this meeting. (See Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes.)

Rep. Boharski said he would like the minutes to reflect that as a result of discussion at this morning's meeting, he has called the U. S. Department of Education and was referred to the Court case of Middletown School Committee v. Board of Regents for Education of the State of Rhode Island, et al, 439 F.Supp., 1122 (1977). This is a Federal District Court case from Rhode Island, issued October 14, 1977. The substantive language in that ruling says that if the Federal impact aid were withdrawn tomorrow, Rhode Island's formula would not result in any increased aid for Middletown, an observation which, by itself, conclusively demonstrates that Rhode Island has not substituted Federal funds with State aid. HB 667 says the same thing. If Public Law 81-874 (PL874) funds were to be eliminated tomorrow, none of those schools would get any more State aid [in place of the PL874 funds]. Rep. Boharski said this Committee can feel comfortable that what it did in HB 667 is perfectly legal under this Act. A copy of that legal opinion is attached to these minutes.

Senator Stang said that Senator Gage brought out a point that if we continue to use the method amended into the bill, we are penalizing the PL874 schools by reducing their budget authority. For example, if a district has $100,000 and $20,000 of that is PL874 funds, their budget authority would be $80,000. They will get $3,200 where they should have gotten 4% of the $100,000, which would give them a $4,000 increase. We are cheating PL874 districts out of about an $800 increase for every $100,000 of budget authority. Senator Stang suggested adding additional language that allows the district to use the PL874 funds to figure their budget authority, even though they are not allowed to use it to figure their State aid. Senator Gage wasn't as much concerned about what was done with using the PL874 funds in legality, as he was concerned that the districts were penalized in their allowable budget authority.

Senator Brown asked if this issue could be revisited later.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

Rep. Hanson said his caucus has been trying to come up with a method by which to bring both the debt service and the entitlements into a package. His caucus is interested in a per-student entitlement method; they feel that is true equalization. They do recognize the shortage of money. It was suggested that HB 667 include the House amendments to SB 32, and add the additional restrictions that for the first two years, the present biennium, those funds, approximately $2.1 million, can only be used for debt service equalization, either existing or new debt service. At the end of the '95 biennium, we could then hopefully have more money, and the bill could revert to any capital expenditures. Rep. Hanson presented an existing debt service list (Exhibit No. 1 to these minutes). He pointed out that there are 25 schools in the counties of Dawson, Garfield, McCone, and Prairie which have a total debt load of under $90,000. Those schools have some capital expenditures for health, safety and accreditation. That is why he keeps coming back to the entitlement plan. Exhibit No. 1 shows a total of approximately $6 million in State GTB cost for the SB 32 plan. Rep. Hanson said his proposal could go for the existing debt service, or restrict it to new debt in the next couple of years.

Chairman Towe asked for clarification of Rep. Hanson's proposal in terms of funding for the first two years. Rep. Hanson said it would be $2.1 million. There could be a choice of whether we wanted to give a little to all those districts with existing debt service that are GTB qualified, or just for those that come in with new debt service.

Chairman Towe asked if it would be opened up in '95 to include all capital improvement for a district. Rep. Hanson said it would be for those districts that need to have capital improvements. This is a compromise proposal, to apply the

entitlement plan only for debt service the next two years, as SB 32 does. Chairman Towe asked if it is limited to those with new bonds, how is that any different than what we would have the first two years. Rep. Hanson said the first two years wouldn't be much different, other than there is a cap. But after that, it will be entitlement for all capital improvements, and all districts would receive money whether they needed it or not.

Senator Brown said this is somewhat contingent on whether there is money available to make this concept work two years from now. As he understands Rep. Hanson, this would basically be the concept in SB 32 in the near term, and then phase in to the House entitlement plan two years down the road. Rep. Hanson said yes, except we would be capping the plan at $2.1 million.

Chairman Towe asked the staff to come up with some more figures on this proposal. Andrea Merrill, Legislative Council Staff, said she would have it for the next meeting of this Committee.

ADJOURNMENT

Adjournment: The meeting adjourned at 5:40 p.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-22-93 - #2
5:20 p.m.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
01	Beaverhead County	0003	E	Grant Elem	$0	916,190	26	0	0.00	916	0.00	$0
01	Beaverhead County	0005	E	Dillon Elem	$2,270	10,360,459	1,048	8,719	0.00	19,080	0.00	$0
01	Beaverhead County	0006	H	Beaverhead County H S	$20,353	14,234,773	458	5,491	0.00	19,726	0.00	$0
01	Beaverhead County	0007	E	Wise River Elem	$0	654,641	26	0	0.00	655	0.00	$0
01	Beaverhead County	0008	E	Lima Elem	$84,546	1,707,191	75	0	46.15	1,707	46.15	$0
01	Beaverhead County	0009	H	Lima H S	$0	1,707,191	37	111	0.00	1,818	0.00	$0
01	Beaverhead County	0010	E	Wisdom Elem	$33,600	1,024,595	45	0	30.58	1,025	30.58	$0
01	Beaverhead County	0012	E	Polaris Elem	$0	361,699	12	0	0.00	362	0.00	$0
01	Beaverhead County	0014	E	Jackson Elem	$0	628,513	25	0	0.00	629	0.00	$0
01	Beaverhead County	0015	E	Reichle Elem	$17,510	476,121	19	0	30.43	476	30.43	$0
02	Big Horn County	0020	E	Squirrel Creek Elem	$0	9,649,116	9	0	0.00	9,649	0.00	$0
02	Big Horn County	0021	E	Pryor Elem	$0	643,719	42	228	0.00	871	0.00	$0
02	Big Horn County	0022	E	Community Elem	$0	1,595,079	30	0	0.00	1,596	0.00	$0
02	Big Horn County	0023	E	Hardin Elem	$13,000	12,161,977	1,135	8,297	0.00	20,459	0.00	$0
02	Big Horn County	0025	E	Lodge Grass Elem	$19,613	1,752,647	385	5,232	8.95	6,985	2.25	$11,750
02	Big Horn County	0026	E	Wyola Elem	$0	1,006,866	54	201	0.00	1,208	0.00	$0
02	Big Horn County	1189	H	Hardin H S	$10,700	23,407,172	382	0	0.00	23,407	0.00	$0
02	Big Horn County	1190	H	Lodge Grass H S	$152,306	2,759,513	153	4,178	0.00	6,936	0.00	$0
02	Big Horn County	1214	H	Plenty Coups H S	$0	643,719	42	1,289	0.00	1,933	0.00	$0
03	Blaine County	0028	E	Chinook Elem	$177,148	3,812,678	337	2,278	22.14	6,091	13.86	$31,573
03	Blaine County	0029	H	Chinook H S	$0	7,954,920	198	857	0.00	8,822	0.00	$0
03	Blaine County	0030	E	Harlem Elem	$1,664	2,972,593	409	4,368	0.21	7,341	0.09	$371
03	Blaine County	0031	H	Harlem H S	$5,096	3,918,183	141	2,625	1.11	6,544	0.66	$1,745
03	Blaine County	0032	E	Cleveland Elem	$0	1,044,199	13	0	0.00	1,044	0.00	$0
03	Blaine County	0034	E	Zurich Elem	$78,590	1,957,861	68	0	32.51	1,958	32.51	$0
03	Blaine County	0036	E	Lloyd Elem	$0	1,238,078	4	0	0.00	1,238	0.00	$0
03	Blaine County	0044	E	Turner Elem	$0	1,641,006	66	0	0.00	1,641	0.00	$0
03	Blaine County	0045	H	Turner H S	$0	1,889,239	32	0	0.00	1,889	0.00	$0
03	Blaine County	0046	E	Hays-Lodge Pole Elem	$0	101,543	153	2,642	0.00	2,744	0.00	$0
03	Blaine County	0048	E	Bear Paw Elem	$0	1,006,031	18	0	0.00	1,006	0.00	$0
03	Blaine County	1213	H	Hays-Lodge Pole Schools	$0	101,543	72	3,166	0.00	3,267	0.00	$0
03	Blaine County	1216	E	North Harlem Colony Elem	$0	99,896	10	93	0.00	192	0.00	$0
04	Broadwater County	0050	E	Townsend Elem	$114,763	12,787,128	515	0	0.00	12,787	0.00	$0
04	Broadwater County	0055	H	Broadwater H S	$31,920	13,832,681	192	0	0.08	13,833	0.08	$0
05	Carbon County	0056	E	Red Lodge Elem	$88,200	5,773,117	392	1,780	12.39	7,553	9.47	$16,854
05	Carbon County	0057	H	Red Lodge H S	$35,600	7,218,831	177	862	4.27	8,081	3.81	$3,288
05	Carbon County	0058	E	Bridger Elem	$63,627	3,749,062	163	0	6.70	3,749	6.70	$0
05	Carbon County	0059	H	Bridger H S	$0	3,749,062	74	0	0.00	3,749	0.00	$0
05	Carbon County	0060	E	Joliet Elem	$82,371	1,899,312	214	1,887	34.68	3,787	17.39	$32,831
05	Carbon County	0061	H	Joliet H S	$0	2,746,683	128	2,893	0.00	5,639	0.00	$0
05	Carbon County	0063	E	Jackson Elem	$0	224,737	17	95	0.00	320	0.00	$0
05	Carbon County	0064	E	Luther Elem	$0	620,198	22	0	0.00	620	0.00	$0

Fwd Corey Corner
EXHIBIT NO. 1
DATE 4-22-93 #2
BILL NO. HB627

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
05	Carbon County	0068	E	Roberts Elem	$33,690	1,008,962	81	416	28.03	1,424	19.85	$8,250
05	Carbon County	0069	H	Roberts H S	$0	1,008,962	43	872	0.00	1,881	0.00	$0
05	Carbon County	0070	E	Boyd Elem	$0	369,014	11	0	0.00	369	0.00	$0
05	Carbon County	0071	E	Fromberg Elem	$0	1,011,145	110	861	0.00	1,872	0.00	$0
05	Carbon County	0072	H	Fromberg H S	$0	1,582,378	60	988	0.00	2,571	0.00	$0
05	Carbon County	0073	E	Edgar Elem	$0	789,254	19	0	0.00	789	0.00	$0
05	Carbon County	0075	E	Belfry Elem	$0	1,371,864	81	147	0.00	1,519	0.00	$0
05	Carbon County	0076	H	Belfry H S	$0	1,371,864	49	1,110	0.00	2,482	0.00	$0
06	Carter County	0078	E	Hammond–Hawks Home Elem	$0	879,095	22	0	0.00	879	0.00	$0
06	Carter County	0083	E	Johnston Elem	$0	415,393	5	0	0.00	415	0.00	$0
06	Carter County	0085	E	Albion Elem	$0	548,242	10	0	0.00	548	0.00	$0
06	Carter County	0086	E	Coal Creek–Plainview Elem	$0	441,240	13	0	0.00	441	0.00	$0
06	Carter County	0087	E	Ekalaka Elem	$0	1,772,978	84	0	0.00	1,773	0.00	$0
06	Carter County	0090	E	Ridge Elem	$0	219,072	4	0	0.00	219	0.00	$0
06	Carter County	0096	E	Alzada Elem	$0	2,993,709	16	0	0.00	2,994	0.00	$0
06	Carter County	0097	H	Carter County H S	$86,635	7,269,729	50	0	0.00	7,270	0.00	$0
07	Cascade County	0098	E	Great Falls Elem	$301,667	76,624,870	8,904	82,718	3.70	159,343	1.76	$147,177
07	Cascade County	0099	H	Great Falls H S	$336,172	78,136,268	3,321	73,128	2.36	151,265	1.22	$89,148
07	Cascade County	0101	E	Cascade Elem	$10,322	3,396,419	220	394	2.65	3,790	2.37	$935
07	Cascade County	0102	H	Cascade H S	$64,451	4,628,667	125	1,530	11.66	6,159	8.76	$13,408
07	Cascade County	0104	E	Centerville Elem	$22,763	2,016,705	243	2,690	12.59	4,707	5.39	$14,511
07	Cascade County	0105	H	Centerville H S	$32,952	1,994,474	93	2,712	16.40	4,706	6.95	$18,848
07	Cascade County	0112	E	Belt Elem	$30,283	5,103,070	232	0	4.81	5,103	4.81	$0
07	Cascade County	0113	H	Belt H S	$20,385	3,613,903	91	423	4.40	4,037	3.94	$1,667
07	Cascade County	0118	H	Simms H S	$33,060	3,520,390	149	3,463	8.95	6,983	4.51	$15,624
07	Cascade County	0127	E	Vaughn Elem	$36,345	1,337,430	179	1,813	25.50	3,151	10.82	$19,628
07	Cascade County	0131	E	Ulm Elem	$0	686,353	102	1,074	0.00	1,760	0.00	$0
07	Cascade County	1195	E	Deep Creek Elem	$0	545,895	6	0	0.00	546	0.00	$0
07	Cascade County	1225	E	Sun River Valley Elem	$17,909	2,182,960	268	2,677	8.71	4,860	3.91	$10,474
08	Chouteau County	0133	E	Fort Benton Elem	$0	5,808,732	365	573	0.00	6,382	0.00	$0
08	Chouteau County	0134	H	Fort Benton H S	$0	10,330,013	176	0	0.00	10,330	0.00	$0
08	Chouteau County	0135	E	Loma Elem	$0	1,489,466	10	0	0.00	1,489	0.00	$0
08	Chouteau County	0137	E	Big Sandy Elem	$65,793	6,743,408	181	0	8.29	6,743	8.29	$0
08	Chouteau County	0138	H	Big Sandy H S	$47,000	7,754,160	90	0	5.54	7,754	5.54	$0
08	Chouteau County	0144	E	Warrick Elem	$0	631,436	5	0	0.00	631	0.00	$0
08	Chouteau County	0145	E	Highwood Elem	$39,500	2,312,118	93	0	13.56	2,312	13.56	$0
08	Chouteau County	0146	H	Highwood H S	$30,500	2,626,934	48	0	10.64	2,627	10.64	$0
08	Chouteau County	0153	E	Geraldine Elem	$2,766	3,877,349	118	0	0.00	3,877	0.00	$0
08	Chouteau County	0154	H	Geraldine H S	$2,071	4,649,563	43	0	0.00	4,650	0.00	$0
08	Chouteau County	0159	E	Carter Elem	$0	1,561,702	7	0	0.00	1,562	0.00	$0
08	Chouteau County	0161	E	Knees Elem	$0	1,684,597	9	0	0.00	1,685	0.00	$0
09	Custer County	0172	E	Miles City Elem	$221,384	8,545,155	1,320	14,863	18.29	23,408	6.68	$99,237

Free Conference Comm. Exhibit # 4-22 93 #2 HB-667

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
09	Custer County	0173	E	Kircher Elem	$0	1,797,527	47	0	0.00	1,798	0.00	$0
09	Custer County	0177	E	Trail Creek Elem	$0	368,510	11	0	0.00	369	0.00	$0
09	Custer County	0179	E	Hockett-Basin Spr Crk El	$0	477,110	9	0	0.00	477	0.00	$0
09	Custer County	0182	E	Cottonwood Elem	$0	354,860	20	11	0.00	366	0.00	$0
09	Custer County	0183	E	Whitney Creek Elem	$0	217,482	6	0	0.00	217	0.00	$0
09	Custer County	0184	E	Moon Creek Elem	$0	722,401	13	0	0.00	722	0.00	$0
09	Custer County	0187	E	Kinsey Elem	$0	874,651	43	220	0.00	1,094	0.00	$0
09	Custer County	0188	E	Twin Buttes Elem	$0	308,386	4	0	0.00	308	0.00	$0
09	Custer County	0189	E	S Y Elem	$0	378,036	10	0	0.00	378	0.00	$0
09	Custer County	0190	E	S H-Foster Creek Elem	$0	332,442	8	0	0.00	332	0.00	$0
09	Custer County	0192	H	Custer County H S	$299,260	14,594,221	627	14,208	15.97	28,802	8.09	$114,971
10	Daniels County	0193	E	Scobey Elem	$0	3,551,505	232	768	0.00	4,319	0.00	$0
10	Daniels County	0194	H	Scobey Schools	$0	3,551,505	97	970	0.00	4,522	0.00	$0
10	Daniels County	0195	E	Peerless Elem	$0	1,204,081	47	0	0.00	1,204	0.00	$0
10	Daniels County	0196	H	Peerless Schools	$0	1,204,081	30	6	0.00	1,210	0.00	$0
10	Daniels County	0199	E	Flaxville Elem	$0	1,585,304	39	0	0.00	1,585	0.00	$0
10	Daniels County	0200	H	Flaxville Schools	$0	1,585,304	31	0	0.00	1,585	0.00	$0
11	Dawson County	0206	E	Glendive Elem	$149,750	11,187,850	1,179	9,609	12.27	20,797	6.60	$63,426
11	Dawson County	0207	H	Dawson County H S	$0	15,496,492	516	8,292	0.00	23,789	0.00	$0
11	Dawson County	0215	E	Bloomfield Elem	$0	1,019,928	25	0	0.00	1,020	0.00	$0
11	Dawson County	0216	E	Lindsay Elem	$0	1,369,425	16	0	0.00	1,369	0.00	$0
11	Dawson County	0227	E	Richey Elem	$0	2,042,788	71	0	0.00	2,043	0.00	$0
11	Dawson County	0228	H	Richey H S	$17,500	2,735,380	47	0	5.20	2,735	5.20	$0
11	Dawson County	1193	E	Deer Creek Elem	$0	1,942,502	23	0	0.00	1,943	0.00	$0
12	Deer Lodge County	0236	E	Anaconda Elem	$0	8,271,428	1,096	11,245	0.00	19,516	0.00	$0
12	Deer Lodge County	0237	H	Anaconda H S	$0	8,458,873	539	16,132	0.00	24,591	0.00	$0
13	Fallon County	0243	E	Baker Elem	$1,750	5,503,762	415	1,926	0.22	7,429	0.16	$314
13	Fallon County	0244	H	Baker H S	$2,500	7,337,916	165	474	0.00	7,811	0.00	$0
13	Fallon County	0254	E	Fertile Prairie Elem	$0	1,834,154	10	0	0.00	1,834	0.00	$0
13	Fallon County	0255	E	Plevna Elem	$0	2,940,562	94	0	0.00	2,941	0.00	$0
13	Fallon County	0256	H	Plevna H S	$0	2,940,562	41	0	0.00	2,941	0.00	$0
14	Fergus County	0258	E	Lewistown Elem	$0	7,950,924	1,138	12,154	0.00	20,105	0.00	$0
14	Fergus County	0259	H	Fergus H S	$621,140	12,136,308	444	8,317	42.59	20,454	25.27	$210,187
14	Fergus County	0260	E	Maiden Elem	$0	178,823	7	0	0.00	179	0.00	$0
14	Fergus County	0264	E	Deerfield Elem	$0	184,826	15	96	0.00	281	0.00	$0
14	Fergus County	0265	E	Cottonwood Elem	$0	117,234	6	0	0.00	117	0.00	$0
14	Fergus County	0268	E	Grass Range Elem	$0	1,375,901	96	71	0.00	1,447	0.00	$0
14	Fergus County	0269	H	Grass Range H S	$12,790	1,520,603	34	73	4.38	1,593	4.18	$304
14	Fergus County	0272	E	King Colony Elem	$0	851,202	5	0	0.00	851	0.00	$0
14	Fergus County	0273	E	Moore Elem	$0	2,107,908	99	0	0.00	2,108	0.00	$0
14	Fergus County	0274	H	Moore H S	$0	2,107,908	56	22	0.00	2,130	0.00	$0
14	Fergus County	0279	E	Roy Elem	$0	1,077,426	46	0	0.00	1,077	0.00	$0

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
14	Fergus County	0280	H	Roy H S	$0	1,077,428	15	0	0.00	1,077	0.00	$0
14	Fergus County	0281	E	Denton Elem	$0	2,903,371	126	0	0.00	2,903	0.00	$0
14	Fergus County	0282	H	Denton H S	$0	3,205,431	53	0	0.00	3,205	0.00	$0
14	Fergus County	0288	E	Spring Creek Colony Elem	$0	105,433	4	0	0.00	105	0.00	$0
14	Fergus County	0290	E	Winifred Elem	$0	1,905,113	115	22	0.00	1,927	0.00	$0
14	Fergus County	0291	H	Winifred H S	$4,042	1,905,113	42	137	1.22	2,042	1.14	$156
14	Fergus County	1218	E	Ayers Elem	$0	144,702	9	5	0.00	150	0.00	$0
15	Flathead County	0307	E	Deer Park Elem	$13,080	566,611	97	1,214	15.93	1,783	5.08	$6,169
15	Flathead County	0308	E	Fair-Mont-Egan Elem	$26,740	1,263,181	146	1,307	18.58	2,570	9.13	$11,934
15	Flathead County	0309	E	Swan River Elem	$4,640	1,770,033	132	504	0.00	2,274	0.00	$0
15	Flathead County	0310	E	Kalispell Elem	$499,595	26,565,238	2,488	17,764	16.85	44,330	10.10	$179,378
15	Flathead County	0311	H	Flathead H S	$570,078	52,103,673	1,957	37,985	9.92	90,089	5.74	$217,934
15	Flathead County	0312	E	Columbia Falls Elem	$0	18,145,819	1,649	10,554	0.00	28,699	0.00	$0
15	Flathead County	0313	H	Columbia Falls H S	$0	20,713,611	764	11,620	0.00	32,334	0.00	$0
15	Flathead County	0316	E	Creston Elem	$8,530	1,022,318	79	190	2.87	1,212	2.42	$459
15	Flathead County	0317	E	Cayuse Prairie Elem	$0	1,812,133	257	2,773	0.00	4,585	0.00	$0
15	Flathead County	0320	E	Helena Flats Elem	$6,013	1,140,079	199	2,436	3.93	3,576	1.25	$3,052
15	Flathead County	0323	E	Kila Elem	$11,419	1,490,449	105	279	6.97	1,770	5.67	$1,639
15	Flathead County	0324	E	Smith Valley Elem	$2,980	892,350	140	1,616	3.25	2,508	1.16	$1,868
15	Flathead County	0325	E	Pleasant Valley Elem	$0	373,452	9	0	0.00	373	0.00	$0
15	Flathead County	0327	E	Somers Elem	$0	7,650,797	356	0	0.00	7,651	0.00	$0
15	Flathead County	0330	E	Bigfork Elem	$270,463	9,441,201	587	992	13.42	10,433	12.14	$12,047
15	Flathead County	0331	H	Bigfork H S	$62,856	11,966,376	306	1,971	4.99	13,937	4.28	$8,443
15	Flathead County	0334	E	Whitefish Elem	$303,740	17,316,085	1,185	4,704	16.82	22,021	13.23	$62,224
15	Flathead County	0335	H	Whitefish H S	$147,560	18,756,598	529	5,068	4.45	23,824	3.50	$17,755
15	Flathead County	0339	E	Evergreen Elem	$189,840	5,677,287	716	7,339	29.51	13,016	12.67	$94,463
15	Flathead County	0341	E	Marion Elem	$19,248	1,735,750	100	8	10.12	1,744	10.07	$81
15	Flathead County	0342	E	Olney-Bissell Elem	$49,191	1,440,513	96	275	31.39	1,715	26.36	$7,239
15	Flathead County	1184	E	West Valley Elem	$84,400	1,912,028	257	2,665	33.95	4,577	14.18	$37,797
15	Flathead County	1223	E	West Glacier Elem	$58,712	2,567,792	64	0	21.83	2,568	21.83	$0
16	Gallatin County	0347	E	Manhattan Elem	$93,276	2,522,367	365	4,066	26.85	6,588	10.28	$41,797
16	Gallatin County	0348	H	Manhattan H S	$87,593	4,872,658	177	2,777	13.06	7,650	8.32	$23,102
16	Gallatin County	0350	E	Bozeman Elem	$924,000	43,498,185	3,138	14,309	14.52	57,807	10.93	$156,341
16	Gallatin County	0351	H	Bozeman H S	$319,200	55,293,794	1,309	7,422	4.71	62,716	4.15	$30,821
16	Gallatin County	0354	E	Willow Creek Elem	$0	1,429,934	34	0	0.00	1,430	0.00	$0
16	Gallatin County	0355	H	Willow Creek H S	$0	1,270,861	16	0	0.00	1,271	0.00	$0
16	Gallatin County	0357	E	Springhill Elem	$0	224,703	14	48	0.00	273	0.00	$0
16	Gallatin County	0359	E	Cottonwood Elem	$0	234,384	11	0	0.00	234	0.00	$0
16	Gallatin County	0360	E	Three Forks Elem	$103,746	6,054,714	264	0	8.38	6,055	8.38	$0
16	Gallatin County	0361	H	Three Forks H S	$8,400	5,942,944	120	0	0.00	5,943	0.00	$0
16	Gallatin County	0362	E	Pass Creek Elem	$0	561,823	17	0	0.00	562	0.00	$0
16	Gallatin County	0363	E	Monforton Elem	$70,035	2,137,585	208	1,718	32.71	3,856	18.13	$31,156

Free Conference Committee
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DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
16	Gallatin County	0364	E	Gallatin Gateway Elem	$18,146	1,822,766	126	640	0.32	2,463	0.24	$152
16	Gallatin County	0366	E	Anderson Elem	$44,665	1,269,879	153	1,386	26.58	2,656	12.71	$17,616
16	Gallatin County	0367	E	La Motte Elem	$0	854,071	49	174	0.00	1,028	0.00	$0
16	Gallatin County	0368	E	Belgrade Elem	$517,501	10,116,291	1,229	12,056	44.10	22,173	20.12	$242,583
16	Gallatin County	0369	H	Belgrade H S	$134,059	10,664,665	426	8,859	11.13	19,534	6.08	$53,894
16	Gallatin County	0370	E	Malmborg Elem	$0	559,414	8	0	0.00	559	0.00	$0
16	Gallatin County	0373	E	West Yellowstone Elem	$0	3,349,208	143	0	0.00	3,349	0.00	$0
16	Gallatin County	0374	H	West Yellowstone Schools	$264,382	3,349,208	71	0	73.62	3,349	73.62	$0
16	Gallatin County	0375	E	Ophir Elem	$75,000	4,497,470	54	0	15.09	4,497	15.09	$0
16	Gallatin County	0376	E	Amsterdam Elem	$0	2,103,538	50	0	0.00	2,104	0.00	$0
17	Garfield County	0377	E	Jordan Elem	$0	1,758,309	138	1,003	0.00	2,762	0.00	$0
17	Garfield County	0378	H	Garfield County H S	$0	5,410,433	93	0	0.00	5,410	0.00	$0
17	Garfield County	0380	E	Big Dry Creek Elem	$0	401,593	6	0	0.00	402	0.00	$0
17	Garfield County	0382	E	Van Norman Elem	$0	406,977	18	406	0.00	813	0.00	$0
17	Garfield County	0385	E	Pine Grove Elem	$0	117,173	10	41	0.00	158	0.00	$0
17	Garfield County	0386	E	Kester Elem	$0	185,978	6	0	0.00	186	0.00	$0
17	Garfield County	0387	E	Cohagen Elem	$0	812,399	25	0	0.00	812	0.00	$0
17	Garfield County	0388	E	Benzien Elem	$0	171,276	8	0	0.00	171	0.00	$0
17	Garfield County	0389	E	Blackfoot Elem	$0	324,128	7	0	0.00	324	0.00	$0
17	Garfield County	0392	E	Sand Springs Elem	$0	405,441	6	0	0.00	405	0.00	$0
17	Garfield County	0394	E	Ross Elem	$0	79,190	4	0	0.00	79	0.00	$0
17	Garfield County	0396	E	Flat Creek Elem	$0	102,959	3		0.00	103	0.00	$0
18	Glacier County	0400	E	Browning Elem	$759,620	5,228,308	1,445	20,678	0.00	25,906	0.00	$0
18	Glacier County	0401	H	Browning H S	$0	6,376,751	340	9,360	0.00	15,737	0.00	$0
18	Glacier County	0402	E	Cut Bank Elem	$0	13,101,903	733	0	0.00	13,102	0.00	$0
18	Glacier County	0403	H	Cut Bank H S	$0	13,253,509	265	0	0.00	13,254	0.00	$0
18	Glacier County	0404	E	East Glacier Park Elem	$0	1,148,443	57	0	0.00	1,148	0.00	$0
18	Glacier County	1222	E	Mountain View Elem	$0	151,606	24	280	0.00	431	0.00	$0
19	Golden Valley County	0406	E	Ryegate Elem	$63,963	3,443,226	53	0	17.39	3,443	17.39	$0
19	Golden Valley County	0407	H	Ryegate H S	$0	3,443,226	25	0	0.00	3,443	0.00	$0
19	Golden Valley County	0410	E	Lavina Elem	$0	1,710,643	51	0	0.00	1,711	0.00	$0
19	Golden Valley County	0411	H	Lavina H S	$0	1,710,643	24	0	0.00	1,711	0.00	$0
20	Granite County	0415	E	Philipsburg Elem	$71,940	3,220,999	195	355	0.00	3,576	0.00	$0
20	Granite County	0416	H	Granite H S	$72,340	3,220,999	60	711	0.00	3,932	0.00	$0
20	Granite County	0418	E	Hall Elem	$0	1,124,141	29	0	0.00	1,124	0.00	$0
20	Granite County	0419	E	Drummond Elem	$99,540	3,310,727	129	0	0.00	3,311	0.00	$0
20	Granite County	0420	H	Drummond H S	$0	4,434,868	94	0	0.00	4,435	0.00	$0
21	Hill County	0424	E	Davey Elem	$0	318,382	5	0	0.00	318	0.00	$0
21	Hill County	0425	E	Box Elder Elem	$0	1,028,155	142	1,539	0.00	2,567	0.00	$0
21	Hill County	0426	H	Box Elder H S	$0	1,028,155	51	1,390	0.00	2,418	0.00	$0
21	Hill County	0427	E	Havre Elem	$754,770	17,221,772	1,840	15,419	24.58	32,641	12.97	$199,967
21	Hill County	0428	H	Havre H S	$7,500	19,868,398	789	14,865	0.24	34,753	0.14	$2,042

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
21	Hill County	0445	E	Cottonwood Elem	$0	2,571,085	39	0	0.00	2,571	0.00	$0
21	Hill County	1207	E	Rocky Boy Elem	$0	35,480	341	6,046	0.00	6,081	0.00	$0
21	Hill County	1208	E	K-G Elem	$0	2,984,564	83	0	0.00	2,985	0.00	$0
21	Hill County	1209	H	K-G H S	$0	3,336,798	30	0	0.00	3,337	0.00	$0
21	Hill County	1217	E	Gildford Colony Elem	$0	129,393	12	87	0.00	216	0.00	$0
21	Hill County	1219	E	Blue Sky Elem	$900	3,905,744	141	0	0.19	3,906	0.19	$0
21	Hill County	1220	H	Blue Sky H S	$3,137	3,905,744	33	0	0.00	3,906	0.00	$0
21	Hill County	1229	H	Rocky Boy H S	$0	35,480	84	3,792	0.00	3,827	0.00	$0
22	Jefferson County	0452	E	Clancy Elem	$446,212	8,545,615	366	0	52.14	8,546	52.14	$0
22	Jefferson County	0453	E	Whitehall Elem	$25,000	3,450,301	375	3,371	3.72	6,822	1.88	$6,343
22	Jefferson County	0454	H	Whitehall H S	$33,000	8,145,733	175	0	3.65	8,146	3.65	$0
22	Jefferson County	0455	E	Basin Elem	$0	1,428,403	10	0	0.00	1,428	0.00	$0
22	Jefferson County	0456	E	Boulder Elem	$0	2,976,908	231	1,268	0.00	4,245	0.00	$0
22	Jefferson County	0457	H	Jefferson H S	$288,608	16,007,323	235	0	0.00	16,007	0.00	$0
22	Jefferson County	0458	E	Cardwell Elem	$0	4,398,294	51	0	0.00	4,398	0.00	$0
22	Jefferson County	0460	E	Montana City Elem	$94,796	3,056,397	199	235	31.09	3,291	28.87	$6,780
23	Judith Basin County	0463	E	Stanford Elem	$0	3,473,515	140	0	0.00	3,474	0.00	$0
23	Judith Basin County	0464	H	Stanford H S	$0	3,473,515	58	0	0.00	3,474	0.00	$0
23	Judith Basin County	0468	E	Hobson Elem	$0	3,247,732	96	0	0.00	3,248	0.00	$0
23	Judith Basin County	0469	H	Hobson Schools	$0	3,247,732	47	0	0.00	3,248	0.00	$0
23	Judith Basin County	0471	E	Raynesford Elem	$0	552,617	23	0	0.00	553	0.00	$0
23	Judith Basin County	0472	E	Geyser Elem	$0	1,456,645	67	0	0.00	1,457	0.00	$0
23	Judith Basin County	0473	H	Geyser H S	$0	2,009,262	32	0	0.00	2,009	0.00	$0
24	Lake County	0474	E	Arlee Elem	$55,763	1,700,831	272	3,316	5.34	5,017	1.81	$6,003
24	Lake County	0475	H	Arlee H S	$42,667	1,700,831	145	4,955	0.00	6,655	0.00	$0
24	Lake County	0477	E	Polson Elem	$746,897	14,797,894	1,049	3,818	45.69	18,616	36.32	$138,677
24	Lake County	0478	H	Polson H S	$0	17,564,692	463	2,759	0.00	20,324	0.00	$0
24	Lake County	0480	E	St Ignatius Elem	$0	1,775,444	421	5,709	0.00	7,484	0.00	$0
24	Lake County	0481	H	St Ignatius Schools	$11,035	1,775,444	168	5,872	0.00	7,647	0.00	$0
24	Lake County	0483	E	Valley View Elem	$0	265,694	20	64	0.00	329	0.00	$0
24	Lake County	0486	E	Swan Lake-Salmon Elem	$0	755,142	18	0	0.00	755	0.00	$0
24	Lake County	1199	E	Ronan Elem	$92,513	5,284,384	1,077	13,936	0.00	19,221	0.00	$0
24	Lake County	1200	H	Ronan H S	$0	5,284,384	382	12,075	0.00	17,359	0.00	$0
24	Lake County	1205	E	Charlo Elem	$375	1,196,189	197	2,399	0.00	3,596	0.00	$0
24	Lake County	1206	H	Charlo H S	$12,855	1,730,082	74	1,615	5.55	3,345	2.87	$4,635
24	Lake County	1211	E	Upper West Shore Elem	$0	2,501,104	24	0	0.00	2,501	0.00	$0
25	Lewis & Clark County	0487	E	Helena Elem	$813,294	45,954,595	5,110	42,280	16.79	88,235	8.74	$369,722
25	Lewis & Clark County	0488	H	Helena H S	$323,370	62,990,078	2,425	48,597	2.67	111,587	1.51	$73,245
25	Lewis & Clark County	0489	E	Kessler Elem	$55,930	3,454,483	289	1,295	13.75	4,749	10.00	$12,949
25	Lewis & Clark County	0491	E	Trinity Elem	$0	1,734,005	14	0	0.00	1,734	0.00	$0
25	Lewis & Clark County	0492	E	East Helena Elem	$294,100	8,693,396	1,024	9,503	32.00	18,196	15.29	$145,281
25	Lewis & Clark County	0495	E	Wolf Creek Elem	$0	1,861,959	13	0	0.00	1,862	0.00	$0

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
25	Lewis & Clark County	0497	E	Craig Elem	$0	1,291,640	9	0	0.00	1,292	0.00	$0
25	Lewis & Clark County	0498	E	Auchard Creek Elem	$0	208,995	21	146	0.00	355	0.00	$0
25	Lewis & Clark County	0501	E	Lincoln Elem	$27,350	1,849,215	149	639	8.90	2,488	6.61	$4,228
25	Lewis & Clark County	0502	E	Augusta Elem	$0	2,232,200	105	0	0.00	2,232	0.00	$0
25	Lewis & Clark County	0503	H	Augusta H S	$0	2,441,195	34	0	0.00	2,441	0.00	$0
25	Lewis & Clark County	1221	H	Lincoln H S	$59,320	1,849,215	46	270	30.46	2,120	26.57	$7,188
26	Liberty County	0506	E	Whitlash Elem	$0	397,059	9	0	0.00	397	0.00	$0
26	Liberty County	0507	E	J-I Elem	$450	3,988,430	113	0	0.10	3,988	0.10	$0
26	Liberty County	0508	H	J-I H S	$450	3,988,430	42	0	0.00	3,988	0.00	$0
26	Liberty County	0510	E	Chester Elem	$2,000	6,744,579	240	0	0.27	6,745	0.27	$0
26	Liberty County	0511	H	Chester H S	$23,970	7,321,544	98	0	2.66	7,322	2.68	$0
26	Liberty County	1224	E	Liberty Elem	$0	179,906	12	39	0.00	219	0.00	$0
27	Lincoln County	0519	E	Troy Elem	$73,073	6,477,081	467	1,471	5.61	7,948	5.39	$7,924
27	Lincoln County	0520	H	Troy H S	$120,408	7,279,936	226	2,326	8.87	9,605	6.72	$15,633
27	Lincoln County	0521	E	Libby Elem	$0	13,392,112	1,465	10,460	0.00	23,852	0.00	$0
27	Lincoln County	0522	H	Libby Schools	$221,427	13,392,112	603	11,710	8.40	25,102	4.48	$52,478
27	Lincoln County	0527	E	Eureka Elem	$0	4,509,562	521	4,882	0.00	9,391	0.00	$0
27	Lincoln County	0528	H	Lincoln County H S	$0	6,892,119	289	6,216	0.00	13,109	0.00	$0
27	Lincoln County	0529	E	Fortine Elem	$14,326	1,529,977	76	0	3.28	1,530	3.28	$0
27	Lincoln County	0530	E	McCormick Elem	$0	317,304	17	14	0.00	331	0.00	$0
27	Lincoln County	0532	E	Sylvanite Elem	$0	197,675	14	71	0.00	268	0.00	$0
27	Lincoln County	0533	E	Yaak Elem	$0	287,876	18	12	0.00	300	0.00	$0
27	Lincoln County	0534	E	Trego Elem	$0	852,580	69	322	0.00	1,174	0.00	$0
28	Madison County	0536	E	Alder Elem	$0	778,496	29	0	0.00	778	0.00	$0
28	Madison County	0537	E	Sheridan Elem	$4,015	2,220,154	167	1,201	1.60	3,421	1.04	$1,247
28	Madison County	0538	H	Sheridan H S	$19,945	2,998,650	99	1,443	6.01	4,442	4.06	$5,856
28	Madison County	0539	E	Twin Bridges Elem	$0	4,029,003	159	0	0.00	4,029	0.00	$0
28	Madison County	0540	H	Twin Bridges H S	$0	4,029,003	80	0	0.00	4,029	0.00	$0
28	Madison County	0542	E	Harrison Elem	$0	1,849,301	79	0	0.00	1,849	0.00	$0
28	Madison County	0543	H	Harrison H S	$0	1,823,006	37	19	0.00	1,842	0.00	$0
28	Madison County	0545	E	Ennis Elem	$21,507	11,162,637	241	0	1.76	11,163	1.76	$0
28	Madison County	0546	H	Ennis H S	$0	11,162,637	117	0	0.00	11,163	0.00	$0
29	Mccone County	0547	E	Circle Elem	$20,811	4,190,836	229	1,308	4.02	5,498	3.06	$4,006
29	Mccone County	0548	H	Circle H S	$50,219	7,839,334	138	0	0.00	7,839	0.00	$0
29	Mccone County	0551	E	Prairie Elk Elem	$0	857,288	6	0	0.00	857	0.00	$0
29	Mccone County	0562	E	Southview Elem	$0	638,098	11	0	0.00	638	0.00	$0
29	Mccone County	0566	E	Vida Elem	$0	2,153,112	19	0	0.00	2,153	0.00	$0
30	Meagher County	0568	E	Lennep Elem	$0	2,241,141	12	0	0.00	2,241	0.00	$0
30	Meagher County	0569	E	White Sulphur Spgs Elem	$0	4,255,038	183	0	0.00	4,255	0.00	$0
30	Meagher County	0570	H	White Sulphur Spgs H S	$0	8,151,571	103	0	0.00	8,152	0.00	$0
30	Meagher County	0574	E	Ringling Elem	$0	1,655,392	5	0	0.00	1,655	0.00	$0
31	Mineral County	0576	E	Alberton Elem	$0	1,911,776	164	1,255	0.00	3,166	0.00	$0

Free Conference Committee

Exhibit #1
4-22-93 #2
HB-667

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	------ SB 32 ------ MILLS NEEDED	STATE GTB COST
31	Mineral County	0577	H	Alberton H S	$0	1,827,974	59	1,063	0.00	2,891	0.00	$0
31	Mineral County	0578	E	Superior Elem	$13,901	3,751,236	304	1,718	0.00	5,469	0.00	$0
31	Mineral County	0579	H	Superior H S	$15,565	3,731,193	130	2,076	0.00	5,807	0.00	$0
31	Mineral County	0581	E	St Regis Elem	$0	3,160,271	153	0	0.00	3,160	0.00	$0
31	Mineral County	0582	H	St Regis H S	$0	3,264,116	56	0	0.00	3,264	0.00	$0
32	Missoula County	0583	E	Missoula Elem	$922,200	67,669,484	5,819	37,940	12.22	105,609	7.83	$297,070
32	Missoula County	0584	H	Missoula H S	$748,000	105,376,298	3,360	49,325	6.43	154,701	4.38	$216,036
32	Missoula County	0586	E	Hellgate Elem	$666,079	11,073,213	920	5,327	37.65	16,400	25.42	$135,413
32	Missoula County	0588	E	Lolo Elem	$46,484	3,379,740	625	7,838	12.16	11,217	3.66	$28,715
32	Missoula County	0589	E	Potomac Elem	$0	957,691	107	956	0.00	1,913	0.00	$0
32	Missoula County	0590	E	Bonner Elem	$119,750	6,426,983	423	1,104	18.54	7,531	15.82	$17,468
32	Missoula County	0591	E	Woodman Elem	$0	815,430	67	203	0.00	1,018	0.00	$0
32	Missoula County	0592	E	DeSmet Elem	$17,260	2,363,278	104	0	4.83	2,363	4.83	$0
32	Missoula County	0593	E	Target Range Elem	$190,095	5,718,742	507	3,316	30.43	9,035	19.26	$63,868
32	Missoula County	0594	E	Sunset Elem	$0	426,564	11	0	0.00	427	0.00	$0
32	Missoula County	0595	E	Clinton Elem	$6,978	2,517,794	236	1,784	1.29	4,302	0.75	$1,347
32	Missoula County	0596	E	Swan Valley Elem	$0	1,069,882	70	101	0.00	1,171	0.00	$0
32	Missoula County	0597	E	Seeley Lake Elem	$0	2,957,397	214	732	0.00	3,689	0.00	$0
32	Missoula County	0598	E	Frenchtown Elem	$427,755	16,616,103	624	0	24.01	16,616	24.01	$0
32	Missoula County	0599	H	Frenchtown H S	$185,429	16,616,103	266	0	8.61	16,616	8.61	$0
33	Musselshell County	0600	E	Musselshell Elem	$0	752,254	20	0	0.00	752	0.00	$0
33	Musselshell County	0605	E	Roundup Elem	$19,606	5,055,813	474	3,541	0.63	8,597	0.37	$1,312
33	Musselshell County	0606	H	Roundup H S	$39,082	5,808,066	195	3,325	0.00	9,133	0.00	$0
33	Musselshell County	0607	E	Melstone Elem	$0	986,405	65	0	0.00	986	0.00	$0
33	Musselshell County	0608	H	Melstone H S	$0	986,405	51	0	0.00	986	0.00	$0
34	Park County	0611	E	Richland Elem	$0	784,370	11	0	0.00	784	0.00	$0
34	Park County	0612	E	Livingston Elem	$380,100	12,394,916	1,059	6,366	29.15	18,781	19.24	$122,852
34	Park County	0613	H	Park H S	$0	16,460,973	463	4,713	0.00	21,174	0.00	$0
34	Park County	0614	E	Gardiner Elem	$18,343	3,751,678	167	0	3.92	3,752	3.92	$0
34	Park County	0617	E	Cooke City Elem	$0	689,420	7	0	0.00	689	0.00	$0
34	Park County	0620	E	Pine Creek Elem	$0	643,454	22	0	0.00	643	0.00	$0
34	Park County	0635	E	Springdale Elem	$0	1,503,650	10	0	0.00	1,504	0.00	$0
34	Park County	1191	H	Gardiner H S	$32,675	4,441,098	74	0	5.97	4,441	5.97	$0
34	Park County	1215	E	Arrowhead Elem	$34,310	1,950,848	53	0	6.67	1,951	6.67	$0
34	Park County	1227	E	Shields Valley Elem	$3,720	3,778,032	199	0	0.00	3,778	0.00	$0
34	Park County	1228	H	Shields Valley H S	$351	3,446,390	93	958	0.00	4,404	0.00	$0
35	Petroleum County	0641	E	Winnett Elem	$0	1,904,786	70		0.00	1,905	0.00	$0
35	Petroleum County	0642	H	Winnett Schools	$25,406	1,904,786	38	0	0.00	1,905	0.00	$0
36	Phillips County	0647	E	Dodson Elem	$0	1,567,126	89	28	0.00	1,596	0.00	$0
36	Phillips County	0648	H	Dodson H S	$62,993	4,222,041	50	0	8.78	4,222	8.78	$0
36	Phillips County	0652	E	Second Creek Elem	$0	665,264	7	0	0.00	665	0.00	$0
36	Phillips County	0653	E	Landusky Elem	$0	2,654,914	8	0	0.00	2,655	0.00	$0

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
36	Phillips County	0657	H	Saco H S	$0	3,397,383	37	0	0.00	3,397	0.00	$0
36	Phillips County	0658	E	Malta Elem	$1,500	8,351,784	463	370	0.12	8,722	0.11	$43
36	Phillips County	0659	H	Malta H S	$2,500	9,256,470	222	164	0.22	9,421	0.22	$36
36	Phillips County	0662	E	Whitewater Elem	$0	3,517,773	56	0	0.00	3,518	0.00	$0
36	Phillips County	0663	H	Whitewater H S	$0	3,417,506	38	0	0.00	3,418	0.00	$0
36	Phillips County	1203	E	Saco Elem	$0	3,992,111	91	0	0.00	3,992	0.00	$0
37	Pondera County	0670	E	Heart Butte Elem	$0	42,183	177	3,122	0.00	3,164	0.00	$0
37	Pondera County	0671	E	Dupuyer Elem	$0	729,405	31	0	0.00	729	0.00	$0
37	Pondera County	0674	E	Conrad Elem	$60,000	7,798,913	560	2,453	6.12	10,252	4.66	$11,420
37	Pondera County	0675	H	Conrad H S	$10,250	8,209,465	227	2,415	0.72	10,625	0.56	$1,344
37	Pondera County	0679	E	Valier Elem	$0	2,885,944	204	598	0.00	3,484	0.00	$0
37	Pondera County	0680	H	Valier H S	$62,000	3,615,349	75	0	7.64	3,615	7.64	$0
37	Pondera County	0681	E	Brady Elem	$0	3,121,040	61	0	0.00	3,121	0.00	$0
37	Pondera County	0682	H	Brady H S	$0	3,121,040	37	0	0.00	3,121	0.00	$0
37	Pondera County	0684	E	Miami Elem	$0	410,552	22	0	0.00	411	0.00	$0
37	Pondera County	1226	H	Heart Butte H S	$0	42,183	56	2,507	0.00	2,549	0.00	$0
38	Powder River County	0692	E	Biddle Elem	$0	518,226	26	0	0.00	518	0.00	$0
38	Powder River County	0695	E	Belle Creek Elem	$0	1,386,669	12	0	0.00	1,387	0.00	$0
38	Powder River County	0702	E	Billup Elem	$0	229,433	6	0	0.00	229	0.00	$0
38	Powder River County	0705	E	Broadus Elem	$1,730	3,320,758	196	0	0.40	3,321	0.40	$0
38	Powder River County	0706	H	Powder River Co Dist H S	$1,730	6,459,517	133	0	0.17	6,460	0.17	$0
38	Powder River County	0709	E	South Stacey Elem	$0	203,970	6	0	0.00	204	0.00	$0
38	Powder River County	0711	E	Horkan Creek Elem	$0	192,807	7	0	0.00	193	0.00	$0
39	Powell County	0712	E	Deer Lodge Elem	$150,009	6,693,061	651	4,817	0.00	11,510	0.00	$0
39	Powell County	0713	H	Powell County H S	$53,200	12,822,152	298	858	0.70	13,680	0.66	$563
39	Powell County	0715	E	Ovando Elem	$7,800	674,940	22	0	11.41	675	11.41	$0
39	Powell County	0717	E	Helmville Elem	$0	869,568	21	0	0.00	870	0.00	$0
39	Powell County	0718	E	Garrison Elem	$0	979,198	15	0	0.00	979	0.00	$0
39	Powell County	0719	E	Elliston Elem	$0	754,325	24	0	0.00	754	0.00	$0
39	Powell County	0720	E	Avon Elem	$0	1,431,294	38	0	0.00	1,431	0.00	$0
39	Powell County	0721	E	Gold Creek Elem	$0	1,419,766	11	0	0.00	1,420	0.00	$0
40	Prairie County	0725	E	Terry Elem	$0	4,364,666	163	0	0.00	4,365	0.00	$0
40	Prairie County	0726	H	Terry H S	$0	4,364,666	90	295	0.00	4,660	0.00	$0
41	Ravalli County	0730	E	Corvallis Elem	$0	4,779,717	669	7,138	0.00	11,918	0.00	$0
41	Ravalli County	0731	H	Corvallis Schools	$123,900	4,779,717	288	6,032	11.47	12,812	4.28	$34,371
41	Ravalli County	0732	E	Stevensville Elem	$96,290	5,321,704	790	8,603	8.69	13,925	3.32	$28,572
41	Ravalli County	0733	H	Stevensville H S	$140,500	6,788,104	371	9,735	6.95	16,523	2.86	$27,796
41	Ravalli County	0734	E	Hamilton Elem	$0	10,717,502	899	5,673	0.00	16,390	0.00	$0
41	Ravalli County	0735	H	Hamilton Schools	$0	10,717,502	430	9,052	0.00	19,769	0.00	$0
41	Ravalli County	0737	E	Victor Elem	$0	2,744,359	191	590	0.00	3,335	0.00	$0
41	Ravalli County	0738	H	Victor Schools	$43,292	2,744,359	81	947	3.46	3,691	2.57	$2,436
41	Ravalli County	0739	E	Darby Elem	$0	4,567,215	382	2,124	0.00	6,691	0.00	$0

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
41	Ravalli County	0740	H	Darby Schools	$67,800	4,567,215	165	3,338	6.12	7,905	3.54	$11,802
41	Ravalli County	0741	E	Lone Rock Elem	$59,124	1,466,400	163	1,402	38.41	2,868	19.64	$27,528
41	Ravalli County	0742	E	Florence-Carlton Elem	$0	3,573,211	468	5,187	0.00	8,761	0.00	$0
41	Ravalli County	0743	H	Florence-Carlton Schools	$292,207	3,573,211	172	4,558	81.95	8,131	36.01	$164,145
42	Richland County	0745	E	Sidney Elem	$221,000	11,658,860	1,110	8,514	8.44	20,173	4.88	$41,529
42	Richland County	0746	H	Sidney H S	$26,550	14,128,560	538	9,361	0.20	23,490	0.12	$1,126
42	Richland County	0747	E	Savage Elem	$8,150	1,434,623	131	822	0.00	2,256	0.00	$0
42	Richland County	0748	H	Savage H S	$22,521	1,808,829	34	24	2.05	1,833	2.02	$49
42	Richland County	0749	E	Brorson Elem	$0	1,003,167	11	0	0.00	1,003	0.00	$0
42	Richland County	0750	E	Fairview Elem	$1,500	3,489,605	199	0	0.00	3,490	0.00	$0
42	Richland County	0751	H	Fairview H S	$18,990	3,980,443	156	0	0.00	3,980	0.00	$0
42	Richland County	0754	E	Rau Elem	$0	1,135,572	67	0	0.00	1,136	0.00	$0
42	Richland County	0768	E	Lambert Elem	$0	2,102,526	83	0	0.00	2,103	0.00	$0
42	Richland County	0769	H	Lambert H S	$43,863	1,827,926	40	0	0.00	1,828	0.00	$0
43	Roosevelt County	0774	E	Frontier Elem	$75,000	2,322,711	124	171	24.26	2,494	22.60	$3,867
43	Roosevelt County	0775	E	Poplar Elem	$0	7,701,747	644	3,780	0.00	11,482	0.00	$0
43	Roosevelt County	0776	H	Poplar H S	$0	7,701,747	179	467	0.00	8,169	0.00	$0
43	Roosevelt County	0777	E	Culbertson Elem	$123,625	4,440,814	233	0	19.88	4,441	19.88	$0
43	Roosevelt County	0778	H	Culbertson H S	$63,250	3,735,899	90	17	17.69	3,753	17.61	$301
43	Roosevelt County	0780	E	Wolf Point Elem	$0	4,791,963	700	7,532	0.00	12,324	0.00	$0
43	Roosevelt County	0781	H	Wolf Point H S	$0	7,114,674	310	7,161	0.00	14,276	0.00	$0
43	Roosevelt County	0782	E	Brockton Elem	$0	447,087	90	1,152	0.00	1,599	0.00	$0
43	Roosevelt County	0783	H	Brockton H S	$0	471,400	47	1,606	0.00	2,078	0.00	$0
43	Roosevelt County	0784	E	Bainville Elem	$0	3,846,702	77	0	0.00	3,847	0.00	$0
43	Roosevelt County	0785	H	Bainville Schools	$63,000	3,846,702	31		0.00	3,847	0.00	$0
43	Roosevelt County	0786	E	Froid Elem	$0	1,931,474	78	0	0.00	1,931	0.00	$0
43	Roosevelt County	0787	H	Froid H S	$0	1,931,474	41	0	0.00	1,931	0.00	$0
44	Rosebud County	0788	E	Rock Spring Elem	$0	696,846	4	0	0.00	697	0.00	$0
44	Rosebud County	0789	E	Birney Elem	$0	349,615	16	0	0.00	350	0.00	$0
44	Rosebud County	0790	E	Forsyth Elem	$63,453	6,969,433	443	1,178	8.82	8,148	7.54	$8,890
44	Rosebud County	0791	H	Forsyth H S	$24,732	7,708,526	233	2,624	0.00	10,332	0.00	$0
44	Rosebud County	0792	E	Lame Deer Elem	$0	121,157	325	5,658	0.00	5,779	0.00	$0
44	Rosebud County	0794	E	Rosebud Elem	$7,202	2,019,889	83	0	2.68	2,020	2.68	$0
44	Rosebud County	0795	H	Rosebud H S	$7,202	2,716,735	28	0	1.99	2,717	1.99	$0
44	Rosebud County	0796	E	Colstrip Elem	$123,000	170,606,372	916	0	0.62	170,606	0.62	$0
44	Rosebud County	0797	H	Colstrip H S	$65,000	172,187,012	450	0	0.00	172,187	0.00	$0
44	Rosebud County	0800	E	Ashland Elem	$0	1,527,620	101	275	0.00	1,802	0.00	$0
45	Sanders County	0802	E	Plains Elem	$13,350	3,338,966	304	2,304	3.42	5,643	2.02	$4,663
45	Sanders County	0803	H	Plains H S	$12,700	4,244,810	165	3,411	2.89	7,655	1.60	$5,465
45	Sanders County	0804	E	Thompson Falls Elem	$0	6,128,246	385	1,020	0.00	7,148	0.00	$0
45	Sanders County	0805	H	Thompson Falls H S	$0	6,216,039	194	2,453	0.00	8,669	0.00	$0
45	Sanders County	0807	E	Trout Creek Elem	$22,534	5,101,418	90	0	3.73	5,101	3.73	$0

Free Con Con
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DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
45	Sanders County	0808	E	Paradise Elem	$0	905,844	48	0	0.00	906	0.00	$0
45	Sanders County	0809	E	Dixon Elem	$0	533,893	47	285	0.00	819	0.00	$0
45	Sanders County	0811	E	Noxon Elem	$81,790	6,996,431	176	0	13.42	6,996	13.42	$0
45	Sanders County	0812	H	Noxon H S	$0	12,010,056	108	0	0.00	12,010	0.00	$0
45	Sanders County	0813	E	Camas Prairie Elem	$0	711,137	7	0	0.00	711	0.00	$0
45	Sanders County	0814	E	Hot Springs Elem	$25,200	1,308,670	146	1,380	17.63	2,688	8.58	$11,841
45	Sanders County	0815	H	Hot Springs H S	$38,100	2,019,807	73	1,182	17.81	3,202	11.24	$13,279
46	Sheridan County	0818	E	Westby Elem	$0	1,567,951	76	0	0.00	1,568	0.00	$0
46	Sheridan County	0819	H	Westby H S	$0	1,758,480	35	0	0.00	1,758	0.00	$0
46	Sheridan County	0821	E	Medicine Lake Elem	$0	3,136,802	164	0	0.00	3,137	0.00	$0
46	Sheridan County	0822	H	Medicine Lake H S	$0	3,572,863	80	0	0.00	3,573	0.00	$0
46	Sheridan County	0827	E	Plentywood Elem	$57,640	5,183,039	361	1,242	11.13	6,425	8.98	$11,150
46	Sheridan County	0828	H	Plentywood H S	$57,640	5,183,039	162	1,806	11.13	6,989	8.25	$14,906
46	Sheridan County	0830	E	Outlook Elem	$0	1,503,673	53	0	0.00	1,504	0.00	$0
46	Sheridan County	0831	H	Outlook H S	$0	1,503,673	24	0	0.00	1,504	0.00	$0
46	Sheridan County	0837	E	Hiawatha Elem	$0	626,590	16	0	0.00	627	0.00	$0
47	Silver Bow County	0840	E	Butte Elem	$0	41,560,838	3,686	24,807	0.00	66,368	0.00	$0
47	Silver Bow County	0842	E	Ramsay Elem	$40,600	5,502,554	138	0	4.68	5,503	4.68	$0
47	Silver Bow County	0843	E	Divide Elem	$0	454,014	13	0	0.00	454	0.00	$0
47	Silver Bow County	0844	E	Melrose Elem	$0	246,930	21	202	0.00	449	0.00	$0
47	Silver Bow County	1212	H	Butte H S	$1,396,040	47,764,336	1,458	20,602	15.64	68,366	10.93	$225,113
48	Stillwater County	0846	E	Park City Elem	$23,000	1,875,757	231	2,285	5.91	4,160	2.66	$6,088
48	Stillwater County	0847	H	Park City H S	$28,208	1,744,960	118	3,463	12.62	5,208	4.23	$14,643
48	Stillwater County	0848	E	Columbus Elem	$70,000	5,173,336	398	1,942	12.58	7,116	9.15	$17,764
48	Stillwater County	0849	H	Columbus H S	$39,000	5,486,930	143	785	6.66	6,272	5.83	$4,574
48	Stillwater County	0850	E	Reedpoint Elem	$32,157	1,307,741	37	0	24.38	1,308	24.38	$0
48	Stillwater County	0851	H	Reedpoint H S	$39,321	1,249,406	21	0	31.26	1,249	31.26	$0
48	Stillwater County	0852	E	Molt Elem	$0	809,644	10	0	0.00	810	0.00	$0
48	Stillwater County	0853	E	Fishtail Elem	$0	2,219,744	35	0	0.00	2,220	0.00	$0
48	Stillwater County	0857	E	Nye Elem	$0	845,618	4	0	0.00	846	0.00	$0
48	Stillwater County	0858	E	Rapelje Elem	$0	2,846,711	46	0	0.00	2,847	0.00	$0
48	Stillwater County	0859	H	Rapelje H S	$0	3,298,691	27	0	0.00	3,299	0.00	$0
48	Stillwater County	0861	E	Absarokee Elem	$25,012	4,910,206	261	0	5.08	4,910	5.08	$0
48	Stillwater County	0862	H	Absarokee H S	$103,860	7,142,325	132	0	14.55	7,142	14.55	$0
49	Sweet Grass County	0865	E	Big Timber Elem	$8,084	4,385,699	321	1,538	1.61	5,923	1.19	$1,833
49	Sweet Grass County	0868	E	Melville Elem	$0	1,268,887	24	0	0.00	1,269	0.00	$0
49	Sweet Grass County	0872	E	Greycliff Elem	$0	878,468	25	0	0.00	878	0.00	$0
49	Sweet Grass County	0875	E	McLeod Elem	$0	517,734	7	0	0.00	518	0.00	$0
49	Sweet Grass County	0881	E	Bridge Elem	$0	54,495	8	0	0.00	54	0.00	$0
49	Sweet Grass County	0882	H	Sweet Grass County H S	$165,266	8,018,848	199	913	17.17	8,932	15.41	$14,079
50	Teton County	0883	E	Choteau Elem	$0	5,205,719	317	365	0.00	5,573	0.00	$0
50	Teton County	0884	H	Choteau H S	$0	6,847,254	158	506	0.00	7,353	0.00	$0

DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
50	Teton County	0889	E	Bynum Elem	$7,288	598,924	35	0	4.75	599	4.75	$0
50	Teton County	0890	E	Fairfield Elem	$82,000	1,979,531	212	1,838	39.32	3,818	20.39	$37,475
50	Teton County	0891	H	Fairfield H S	$16,377	3,070,305	140	3,142	5.15	6,212	2.55	$7,997
50	Teton County	0892	E	Dutton Elem	$6,203	3,888,631	107	0	0.00	3,889	0.00	$0
50	Teton County	0893	H	Dutton H S	$0	3,888,631	44	0	0.00	3,889	0.00	$0
50	Teton County	0894	E	Power Elem	$33,202	1,493,206	116	546	18.28	2,040	13.38	$7,312
50	Teton County	0895	H	Power H S	$36,310	1,621,169	49	213	17.29	1,834	15.28	$3,251
50	Teton County	0896	E	Golden Ridge Elem	$0	417,352	30	124	0.00	541	0.00	$0
50	Teton County	0898	E	Pendroy Elem	$0	1,062,456	12	0	0.00	1,062	0.00	$0
50	Teton County	0900	E	Greenfield Elem	$0	778,538	68	494	0.00	1,272	0.00	$0
51	Toole County	0902	E	Sunburst Elem	$0	5,697,550	226	0	0.00	5,698	0.00	$0
51	Toole County	0903	H	Sunburst H S	$0	6,758,763	96	0	0.00	6,759	0.00	$0
51	Toole County	0910	E	Shelby Elem	$0	6,866,303	528	2,561	0.00	9,427	0.00	$0
51	Toole County	0911	H	Shelby H S	$0	10,924,953	206	0	0.00	10,925	0.00	$0
51	Toole County	0915	E	Galata Elem.	$0	4,058,650	16	0	0.00	4,059	0.00	$0
52	Treasure County	0922	E	Hysham Elem	$45,411	4,983,890	130	0	0.00	4,984	0.00	$0
52	Treasure County	0923	H	Hysham H S	$0	4,983,890	50	0	0.00	4,984	0.00	$0
53	Valley County	0925	E	Glasgow Elem	$0	10,948,933	712	1,744	0.00	12,693	0.00	$0
53	Valley County	0926	H	Glasgow H S	$82,178	10,948,933	285	2,351	5.35	13,300	4.40	$10,355
53	Valley County	0927	E	Frazer Elem	$6,024	1,700,272	104	49	1.29	1,749	1.25	$61
53	Valley County	0928	H	Frazer H S	$13,228	4,171,642	35	0	1.07	4,172	1.07	$0
53	Valley County	0932	E	Hinsdale Elem	$0	3,954,901	68	0	0.00	3,955	0.00	$0
53	Valley County	0933	H	Hinsdale H S	$0	4,410,475	31	0	0.00	4,410	0.00	$0
53	Valley County	0934	E	Opheim Elem	$0	3,955,754	85	0	0.00	3,956	0.00	$0
53	Valley County	0935	H	Opheim Schools	$37,795	3,955,754	47	0	8.52	3,956	8.52	$0
53	Valley County	0936	E	Nashua Elem	$0	2,006,031	134	221	0.00	2,227	0.00	$0
53	Valley County	0937	H	Nashua H S	$0	2,265,892	67	913	0.00	3,179	0.00	$0
53	Valley County	0940	E	Fort Peck Elem	$0	259,861	17	148	0.00	408	0.00	$0
53	Valley County	0941	E	Lustre Elem	$0	2,471,370	59	0	0.00	2,471	0.00	$0
54	Wheatland County	0944	E	Two Dot Elem	$0	3,770,028	8	0	0.00	3,770	0.00	$0
54	Wheatland County	0945	E	Harlowton Elem	$0	2,197,867	202	1,475	0.00	3,672	0.00	$0
54	Wheatland County	0946	H	Harlowton H S	$0	6,563,076	109	0	0.00	6,563	0.00	$0
54	Wheatland County	0947	E	Shawmut Elem	$0	595,181	11	0	0.00	595	0.00	$0
54	Wheatland County	0948	E	Judith Gap Elem	$12,220	1,825,341	92	0	6.76	1,825	6.76	$0
54	Wheatland County	0949	H	Judith Gap H S	$8,121	1,467,776	30	0	5.54	1,468	5.54	$0
55	Wibaux County	0954	E	Wibaux Elem	$34,300	4,073,243	161	0	0.00	4,073	0.00	$0
55	Wibaux County	0964	H	Wibaux H S	$0	4,073,243	77	0	0.00	4,073	0.00	$0
56	Yellowstone County	0965	E	Billings Elem	$1,543,400	129,176,120	10,251	59,661	10.60	188,837	7.25	$432,604
56	Yellowstone County	0966	H	Billings H S	$2,794,192	156,740,834	4,613	57,247	14.87	213,988	10.89	$623,532
56	Yellowstone County	0967	E	Lockwood Elem	$73,025	12,158,428	1,152	8,018	4.82	20,176	2.90	$23,289
56	Yellowstone County	0968	E	Blue Creek Elem	$54,833	1,734,291	96	0	25.07	1,734	25.07	$0
56	Yellowstone County	0969	E	Canyon Creek Elem	$101,320	1,908,986	210	1,737	42.71	3,646	22.36	$38,840

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DEBT SERVICE BUDGETS
STATE COST IF GTB WERE APPLIED TO FISCAL 1993 DEBT SERVICE MILLS

CO	COUNTY NAME	LE	LEVEL	DISTRICT NAME	FY93 DEBT SERVICE BUDGET	FY93 TAXABLE VALUE	ANB	SUB/MIL	FY93 DEBT SERVICE MILLS	GTB MILL VALUE	SB 32 MILLS NEEDED	SB 32 STATE GTB COST
56	Yellowstone County	0970	E	Laurel Elem	$117,883	14,877,149	1,279	8,723	5.20	23,600	3.28	$28,593
56	Yellowstone County	0971	H	Laurel H S	$98,190	14,616,813	570	11,030	5.06	25,646	2.88	$31,808
56	Yellowstone County	0972	E	Elder Grove Elem	$164,161	1,805,106	191	1,612	46.02	3,417	24.31	$39,189
56	Yellowstone County	0974	E	Custer Elem	$0	2,152,834	70	0	0.00	2,153	0.00	$0
56	Yellowstone County	0975	H	Custer H S	$0	2,152,834	32	0	0.00	2,153	0.00	$0
56	Yellowstone County	0976	E	Morin Elem	$0	1,700,025	32	0	0.00	1,700	0.00	$0
56	Yellowstone County	0978	E	Broadview Elem	$0	8,136,066	71	0	0.00	8,136	0.00	$0
56	Yellowstone County	0979	H	Broadview H S	$7,596	8,407,435	41	0	0.45	8,407	0.45	$0
56	Yellowstone County	0981	E	Elysian Elem	$283,870	6,455,304	96	0	21.71	6,455	21.71	$0
56	Yellowstone County	0982	E	Huntley Project Elem	$50,487	7,071,945	479	1,499	2.33	8,571	1.92	$2,882
56	Yellowstone County	0983	H	Huntley Project H S	$26,254	7,071,945	184	1,489	2.15	8,561	1.78	$2,644
56	Yellowstone County	0985	E	Shepherd Elem	$24,102	4,093,858	510	4,794	4.52	8,888	2.08	$9,981
56	Yellowstone County	0986	H	Shepherd H S	$224,636	5,030,257	222	5,257	34.09	10,287	16.67	$87,630
56	Yellowstone County	0987	E	Pioneer Elem	$0	936,399	73	358	0.00	1,294	0.00	$0
56	Yellowstone County	0989	E	Independent Elem	$160,292	1,795,652	164	1,212	44.86	3,008	26.78	$32,460
56	Yellowstone County	1196	E	Yellowstone Education Ctr	$0	6,922	13	0	0.00	7	0.00	$0
					$28,958,078		151,140					$6,266,026

GTB

MIDDLETOWN SCHOOL COMMITTEE et al.

v.

BOARD OF REGENTS FOR EDUCATION OF the STATE OF RHODE ISLAND et al.

Civ. A. No. 77-0226.

United States District Court, D. Rhode Island.

Oct. 14, 1977.

School committee and five resident taxpayers sought injunctive and declaratory relief challenging, under the supremacy clause, the manner in which Rhode Island considered federal educational aid funds in computing state aid for local district. The District Court, Pettine, Chief Judge, held that Rhode Island formula for determining state aid, which did not simply assess school districts but induced increased local effort by rewarding that effort with increased aid, and which would not result in less aid being received by district than such district would receive if it were not eligible for federal aid, was not invalid under the supremacy clause.

Judgment for defendants.

1. Schools and School Districts ⇐19(1)

Congress intended federal educational aid funds for certain school districts burdened with responsibility of providing education to children who attend schools because of nearby federal activity to supplement, not to substitute for, state aid to local districts. Educational Agencies Financial Aid Act, §§ 1 et seq., 5(d)(1) as amended 20 U.S.C.A. §§ 236 et seq., 240(d)(1).

2. States ⇐4.12

Rhode Island scheme for distributing state aid to local school districts, which as an arithmetical device to determine "local effort" required deduction of federal aid received by district from its total expenditures, under which Rhode Island did not substitute federal aid to "impacted districts" for state aid that would be otherwise received, and under which Rhode Island sought not simply to assist school district but also to induce increased local effort by rewarding that effort with increased aid, did not violate supremacy clause. Gen. Laws R.I.1956, § 16-7-20; Educational Agencies Financial Aid Act, § 5(d)(1) as amended 20 U.S.C.A. § 240(d)(1).

3. Schools and School Districts ⇐19(1)

Rhode Island, which had chosen to aid local districts by reimbursing them according to effort of each community, two years previously, and had chosen to define local effort as total expenditure less federal aid granted in same school year as expenditure figure, could not be prohibited from basing state aid to locals districts on basis of expenditures two years old or on basis of figures even older if it so chose where deduction did not have effect of substituting federal for state funds. Educational Agencies Financial Aid Act, § 1 et seq. as amended 20 U.S.C.A. § 236 et seq.; Gen. Laws R.I.1956, § 16-7-20.

Joseph B. Going, Newport, R.I., for plaintiffs.

J. Peter Doherty, Sp. Asst. Atty. Gen., Providence, R.I., Howard R. Haronian, Warwick, R.I., for defendants.

Lincoln C. Almond, U. S. Atty., Providence, R.I. and Robert J. Faux, U. S. Dept. of HEW, Washington, D.C., for amicus curiae.

OPINION

PETTINE, Chief Judge.

Pursuant to Public Law 81-874,[1] the federal government makes educational aid funds available to certain school districts (sometimes called "impacted districts") burdened with the responsibility of providing education to children who attend their schools because of nearby federal activity.

1. Public Law 81-874 (1950), as amended, is codified at 20 U.S.C. § 236 *et seq.* (1977).

The Middletown School Committee and five resident taxpayers (hereinafter "Middletown"), seeking injunctive and declaratory relief, challenge under the Supremacy Clause the manner in which Rhode Island considers these payments in computing the state aid which Middletown receives. Jurisdiction is properly grounded on 28 U.S.C. § 1331. Plaintiffs' standing to prosecute this action is not controverted. The Court heard this matter in a merged hearing on June 9–10, 1977, and has been ably assisted by counsel and by the United States, which appeared as amicus curiae at the Court's suggestion and request.

Like most states, Rhode Island assists local school districts by providing them with state funds. Disregarding certain complexities in the Rhode Island aid plan which have no effect on the issues here, it is fair to say that Rhode Island reimburses each local district, without ceiling, for a percentage of all the school expenditures imposed by district taxpayers on themselves—thereby excluding PL 81–874 aid completely from the calculation.[2] The percentage, or share ratio, reimbursed by the state differs for each local district, and is determined by a percentage equalization formula through which Rhode Island seeks to equalize the ability of poor and wealthy districts to provide quality education.[3] The legislature has set the share ratio of the average district (in terms of assessed valuation of property per pupil) at 35%. The share ratio for any particular district is determined by a formula which, in essential respects, is as follows:[4]

$$\text{Share ratio} = 1 - \left[0.65 \times \frac{\text{assessed valuation per pupil in the local district}}{\text{assessed valuation per pupil in the state}} \right]$$

The formula dictates that a town of average wealth will be reimbursed for 35% of its locally raised school expenditures. Poorer districts will have a share ratio greater than 35%, and will be reimbursed for a greater proportion of locally raised expenditures than average districts. Wealthier districts will have a smaller share ratio, and will be reimbursed for somewhat less than 35% of locally raised school expenditures.[5] Rhode Island's formula thus distributes aid in inverse proportion to the ability of a district to raise revenues. Given two districts which impose on themselves the same property tax rate, the poorer district will be reimbursed a greater percentage of its locally raised expenditures than the wealthier district. In addition, because state aid is determined by applying the share ratio to the locally raised school expenditures without a ceiling, the formula distributes aid in direct proportion to the effort of a district to maintain quality schools through increased taxation rates. Thus, given two

2. *See* Rhode Island General Laws (R.I.G.L.) § 16-7-15 *et seq.*, and n. 7 *infra; see generally* Tr. at 83–119.

3. The concept of taxing power equalization is discussed at length in J. Coons, W. Clure and S. Sugarman, Private Wealth and Public Education (1970). *See also* Comment, State Constitutional Restrictions on School Finance Reform, 90 Harv.L.Rev. 1528–31 and authorities cited therein. Rhode Island's formula has been found to do a better job of equalizing the ability of districts to provide quality education than the formulas of 47 other states. Tr. at 85. A different equalization formula, which did not provide for reimbursement of local expenditures without limitation, was struck down as in conflict with the purposes of Pub.L. 81–874 in *Hergenreter v. Hayden*, 295 F.Supp. 251 (D.Kan.1968).

4. The formula is in reality a good deal more complex than is stated here, but the parties are agreed that the simplification as described in the text is sufficient to display the operation of Pub.L. 81–874 funds on the state aid plan.

5. The legislature has provided that the minimum share ratio, or reimbursement level, for any community is 30%.

communities with approximately equal wealth (i. e., equal assessed valuation per pupil) the community which chooses to tax itself more to improve its schools will earn greater state aid.[6] A local district can therefore always increase its state aid by increasing its own effort. For Middletown, which has a sizeable amount of tax-exempt federal property and a significant number of pupils who are children of adults working on federal property, the Rhode Island formula has the effect of relatively increasing the state aid received because there is less assessed valuation per pupil than there would be if the federal property was included in the district wealth per pupil calculation.

Nevertheless, because the formula for determining state aid set forth in R.I.G.L. § 16–7–20 requires the share ratio to be applied to the school expenditures of each local district,[7] it is apparent that Middletown's aid would be increased if Pub.L. 81–874 funds were included in the state's definition of expenditures. Middletown claims that section 5(d)(2) of Pub.L. 81–874, 20 U.S.C. § 240(d)(1) (1977),[8] requires Rhode Island to include Pub.L. 81–874 funds in its calculation, and that R.I.G.L. § 16–7–20 is invalid under the Supremacy Clause for its failure so to provide. The Court agrees with amicus United States that Rhode Island's aid scheme is fully consonant with the letter and spirit of Pub.L. 81–874, as amended, and that the Rhode Island aid scheme is therefore not invalid under the Supremacy Clause.

[1] The parties are in agreement that Congress intended Pub.L. 81–874 funds to supplement, not to substitute for, state aid to local districts. *See, e. g., Shepheard v. Godwin*, 280 F.Supp. 869, 875 (E.D.Va.1968) (three-judge court); *Douglas Independent School District No. 3 v. Jorgenson*, 293 F.Supp. 849, 852 (D.S.D.1968); *Hergenreter v. Hayden*, 295 F.Supp. 251 (D.Kan.1968); *Carlsbad Union School District of San Diego County v. Rafferty*, 300 F.Supp. 434

6. *See* Tr. at 107–119 and Def. Ex. 9.

7. R.I.G.L. 16–7–20 provides in relevant part:
> For each community the state's share shall be that percentage of one hundred per cent (100%) resulting from subtracting the yield of the standard local tax rate applied to adjusted equalized weighted assessed valuation divided by the reference year cost of the basic program; provided, however, that in no case shall the state's share be less than thirty per cent (30%) for the fiscal year 1964–1965 and year thereafter. This percentage shall be applied to one hundred and five per cent (105%) of (A) the cost of the basic program and (B) all expenditures approved by the state board of education in excess of the basic program; provided, however, that expenditures from federal moneys in lieu of taxes shall not be counted . . .

8. 20 U.S.C. § 240(d)(1) (1977) provides:
> Except as provided in paragraph (2), no payments may be made under this subchapter for any fiscal year to any local educational agency in any State (A) if that State has taken into consideration payments under this subchapter in determining—
>
> (i) the eligibility of any local educational agency in that State for State aid for free public education of children; or
>
> (ii) the amount of such aid with respect to any such agency; during that fiscal year or the preceding fiscal year, or (B) if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this subchapter than such agency would receive if such agency were not so eligible.

This section was first enacted in 1968, and was codified at 20 U.S.C. § 240(d)(2) until this year. *See* Pub.L. 90–576, § 305(a), 82 Stat. 1097. By amendments to Pub.L. 81–874 enacted in 1974 and 1976, Congress has established a new administrative mechanism to determine whether state aid equalization formulas which the Commissioner of the Office of Education determines violate the prohibitions of 20 U.S.C. § 240(d)(1) (1977) should nevertheless be permitted without penalty. *See* 20 U.S.C. § 240(d)(2) (1977). This lawsuit, however, concerns a period for which this administrative procedure cannot be utilized. *See* 20 U.S.C. § 240(d)(2)(C) (forbidding administrative enforcement for any period prior to July 1, 1977). It is of some importance, nevertheless, that the Office of Education, which will be responsible for handling any disputes over Rhode Island's formula in future years, has taken the position that Rhode Island's formula does not contravene the prohibitions of 20 U.S.C. § 240(d)(1) (1977), and therefore that there is no need to inquire whether Rhode Island's equalization formula would be entitled to an exception under § 240(d)(2). *See* Brief of the United States as Amicus Curiae at 21.

(S.D.Cal.1969), *aff'd* 429 F.2d 337 (9th Cir. 1970). Until 1968, the remedy for districts in states which had contravened the purposes of Pub.L. 81–874 by reducing aid to local districts in response to the receipt of federal funds was an injunction to stop the states from doing so. *See, e. g., Shepheard v. Godwin*, 280 F.Supp. at 869; *Carlsbad Union School District v. Rafferty*, 429 F.2d at 339. In 1968, to implement the *Shepheard* decision, which was the first case to decide that a state aid formula reducing state aid to an impacted district was invalid under the Supremacy Clause, Congress amended Pub.L. 81–874 to delineate more clearly the circumstances in which a state aid formula would run afoul of the purposes of Pub.L. 81–874,[9] and to provide a more effective enforcement remedy. The amendment forbids federal impacted aid payments to any local district in any state which has:

> taken into consideration payments under this subchapter in determining the eligibility of any local educational agency in that State for State aid . . ., or the amount of such aid, . . . or if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this subchapter than such [local educational] agency would receive if [it] were not so eligible.

20 U.S.C. § 240(d)(1) (1977).

[2] Plaintiffs' central argument asserts that Rhode Island violates the general purposes of Pub.L. 81–874, and 20 U.S.C. § 240(d)(1) in particular, as follows:

14. State aid provided to a Rhode Island municipality which does not receive P.L. 874 aid is effectively calculated on the basis of its total actual expenditures, which are multiplied by its state share ratio. Tr. 137.

15. In the case of Middletown or any other Rhode Island community which receives P.L. 874 funds, state aid is calculated on the basis of its total actual expenditures, reduced, however, pursuant to G.L.1956, Section 16–7–20, by the amount of its actual expenditures from its P.L. 874 receipts. Tr. 26, 138–139.

16. Middletown would have received and would have been entitled to receive the sum of $503,101.00 more in state aid for the 1976–1977 fiscal year if its actual expenditures had not been reduced by the amount of its expenditures from P.L. 874 funds.

Pl. Brief at 5–6.

However, this argument is without foundation in analysis, and is supported only by the wording, "however, that expenditures from federal moneys in lieu of taxes shall not be counted." R.I.G.L. § 16–7–20. It may be that this is not a pellucid definition of "local effort." In terms of practical effect, it is apparent from the Rhode Island formula that Rhode Island does not substitute federal aid to impacted districts for state aid which would be otherwise received. Rhode Island does not compute its aid, and subsequently subtract from that aid Pub.L. 81–874 funds (or a portion of those funds).[10] *Compare Shepheard v. God-*

9. *See* Pub.L. 90–576, Title III, § 305 (October 16, 1968), 82 Stat. 1064 at 1097.

10. The amicus in its brief at page 17, gives the following example:

> For example, if the cost of the basic program for a Rhode Island LEA not receiving P.L. 81–874 payments were $100,000 and its reimbursement ratio were 50%, then it would receive $50,000 from State aid. If, however, the LEA had received and applied $20,000 of P.L. 81–874 payments to that basic program cost, then it would receive only $40,000 of State aid. Since the State would have excluded $20,000 from the reimbursement amount, it would only provide 50% of the $80,000 remaining. In effect, the State has substituted $10,000 of the P.L. 81–874 payments for $10,000 of State aid and reduced the State effort. This is similar to the type of situation that the court in *Shepheard* faced. On the other hand, if the LEA were to have expended $120,000, including the P.L. 81–874 payment, there would be no substitution for State funds that would otherwise have gone to the LEA. The State, though excluding $20,000, would still pay its full share (50%) of the basic program cost and, thus, not effectuate a substitution. If the LEA expends more than its basic program cost, its own voluntary effort determines the

win, 280 F.Supp. at 869. And because Rhode Island places no ceiling on the locally raised expenditures which it will reimburse, there is no possibility that Pub.L. 81–874 funds have a substitutional effect by removing the incentive from local districts to increase their effort. *Compare Hergenreter v. Hayden, supra.* In short, the Rhode Island formula retains the supplementary character of Pub.L. 81–874 funds precisely as Congress intended, and comports with the letter and spirit of Congressional intent. *Shepheard* and its progeny are inapposite because Rhode Island seeks not simply to assist school districts, as did the states in those cases, but also to induce increased local effort by rewarding that effort with increased aid. Given that purpose, certainly not contrary to anything in Pub.L. 81–874, Rhode Island must have a definition of local effort; and it would be odd, to say the least, to define local effort as including federal aid.

In terms of the language Congress chose in 20 U.S.C. § 240(d)(1) to define those circumstances in which the purpose behind aid to impacted districts would be violated by state aid formulas, the Rhode Island formula clearly passes muster. The Rhode Island formula does not "take into consideration payments under this subchapter [Pub.L. 81–874] in determining the eligibility of any local educational agency in [Rhode Island] . . . or the amount of that aid." The formula applies the share ratio (derived without consideration of Pub.L. 81–874 funds) directly to the local effort figure (which by definition and logic cannot include impacted aid funds, and only "considers" those funds as an arithmetical device to calculate local effort, a "consideration" which is not what § 240(d)(1) proscribes.) [11]

amount of State aid that it will receive. At that point, the amount of P.L. 81–874 payments has no bearing on the amount of State aid allocated to the LEA.

In the instant case, it appears that Middletown is expending above its basic program cost from State and local sources, exclusive of P.L. 81–874 receipts. The 'mandated minimum program level' was $500 per pupil in ADM (average daily membership) for the school year in issue—1976–1977. Plaintiffs' Exhibit # 10, Defendants' Exhibit B. There were approximately 3660 pupils in ADM in Middletown schools for the school year 1976–1977. Comparative Analysis of Critical Data for 1977–78, Plaintiffs' Exhibit # 2. Thus, the basic program cost was approximately $1,830,000 plus transportation costs. No specific testimony seems to have been offered as to what the transportation costs were for Middletown for the year in issue. However, the Department of Health, Education and Welfare believes on the basis of information kept by the Middletown School Committee, that they would approximate $160,000 for 1976–1977. This would result in a "basic program" cost of approximately $1,990,000. It appears that the general education expenditures from local or State sources for Middletown for school year 1976–1977 are approximately $3,686,954 (total estimated expenditures less Federal payments less State categorical aid). Comparative Analysis of Critical Data for 1977–78, Plaintiffs' Exhibit # 2.

Since the expenditures from State and local funds would seem to clearly exceed the basic program cost, the P.L. 81–874 payments would not be required to be applied to meeting that mandatory minimum expenditure. Thus, Middletown received the full amount of State aid it otherwise would have received, i. e., if there had been no P.L. 81–874 payments. The fact that Middletown may have chosen to spend in excess of the mandated basic program expenditure was a matter of local choice, and, in fact, generated more State aid. Therefore, it appears that for school year 1976–1977, the State of Rhode Island did not take P.L. 81–874 payments into account in allocating State aid to Middletown in a manner which contravenes the purpose of P.L. 81–874 or the prohibition of section 5(d)(1) thereof. Whether the State might violate section 5(d)(1) in some other year is a question that would have to be decided on the facts pertinent to that year.

This conclusion is in accord with the position taken by USOE in ruling on the operation of the Rhode Island State aid statute in 1969. Defendants introduced at trial correspondence between USOE and the Rhode Island Department of Education relative to that determination. Defendants' Exhibit A.

11. Rhode Island could have defined local effort directly in the statute as school expenditure raised by the local property tax. A statute so worded clearly does not entail any "consideration" of Pub.L. 81–874 funds; and it would be bizarre to find such a statute permissible but to strike down the present statute, which is identical in practical effect.

Nor does the Rhode Island formula "result in less State aid to any local educational agency which is eligible for payments under this subchapter than such local educational agency would receive if it were not so eligible." 20 U.S.C. § 240(d)(1). If federal impacted aid funds were withdrawn tomorrow, Rhode Island's formula would not result in any increased aid for Middletown, an observation which by itself conclusively demonstrates that Rhode Island has not substituted federal funds for state aid. This result should be contrasted with the facts in *Shepheard* and its progeny, where withdrawal of federal aid would have directly resulted in increased state aid.[12]

Middletown relies heavily on an August, 1965 study prepared by the Office of Education, United States Department of Health, Education, and Welfare for the Senate Committee on Labor and Public Welfare, Subcommittee on Education, entitled "Impacted Areas Legislation Report and Recommendations." The study cited Rhode Island in a footnote as one of fifteen states which improperly reduced state aid to local districts by taking Pub.L. 81-874 funds into consideration in their aid formulas. The conclusions of this study were repeated without further analysis in the Report of the House Committee on Education and Labor in 1966, which commented:

> "'Fifteen States offset the amount of Public Law 874 funds received by their school districts by reducing part of their State Aid to those districts. *This is in direct contravention to congressional intent.* Impact aid funds are intended to compensate districts for loss of tax revenues due to Federal connection, not to substitute for State funds the districts would otherwise receive.'"
>
> 1966 U.S.Code Cong. and Admin.News at 3878.

However, the Court agrees with the amicus United States that the Office of Education report is an inadequate base on which to predicate a Congressional finding as to the Rhode Island formula. There is no indication that Congress specifically focussed on the Rhode Island formula as offensive to the purposes of Pub.L. 81-874. Furthermore, the House committee cited the report at a time when the relationship between equalization formulas and Pub.L. 81-874 was not well understood. When the section at issue here, 20 U.S.C. § 240(d)(1) (1977), was enacted in 1968 to help clarify Congressional intentions, no reference to the "fifteen states" was made. The legislative history presented here is simply not clear enough to support the conclusion urged by plaintiffs. *Philbrook v. Glodgett*, 421 U.S. 707, 95 S.Ct. 1893, 44 L.Ed.2d 525 (1975).

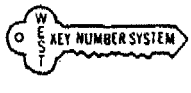
Plaintiffs offer a second argument to show that the Rhode Island aid formula violates the intent of Pub.L. 81-874 or 20 U.S.C. § 240(d)(1). Middletown points out that while Pub.L. 81-874 payments are compiled and distributed on the basis of current enrollment figures (payments in any year being dependent on federally-connected children in the district during that year), state aid in Rhode Island is computed on the basis of data from two years prior to the year in which state aid is granted. Because Middletown's Pub.L. 81-874 funds have been declining, Rhode Island's deduction of 1974-1975 Pub.L. 81-874 funds from 1974-1975 total expenditures in computing 1976-1977 state aid seems to result in less state aid than would result from deducting current (smaller) 1976-1977 Pub.L. 81-874 funds from 1974-1975 expenditures.

[3] Again, this argument misreads the thrust of the Rhode Island law. Impacted

12. It can be argued that if federal aid were withdrawn, Middletown taxpayers would decide to increase their taxes to maintain equivalent total expenditure, thus generating an increase in state aid. However, as the United States observes, this would be a speculative increase in state aid, as opposed to the clear indication in *Shepheard*, for example, of what would have happened if impacted aid payments were withdrawn. The inquiry mandated by § 240(d)(1) into whether Rhode Island makes aid available to Middletown in a way as to result in less state aid than Middletown would receive if it were ineligible for impacted aid, was clearly intended to be a relatively simple inquiry; forecasting precisely what might have happened at the yearly town financial meeting under various hypothetical circumstances would be impossible, and a strange basis on which to strike down a state statute.

aid funds are deducted from total expenditures solely as an arithmetical device to determine "local effort". Since the deduction does not have the effect of substituting federal funds for state funds which Middletown would otherwise receive,[13] Rhode Island cannot be prohibited from basing state aid to local districts on the basis of expenditures two years old, or on the basis of figures even older if it so chooses. *See San Antonio School District v. Rodriquez*, 411 U.S. 1, 41, 93 S.Ct. 1278, 36 L.Ed.2d 16 (1973); *Los Alamos School Board v. Wugalter*, 557 F.2d 709 (10th Cir. 1977).[14] Since Rhode Island has chosen to aid local districts by reimbursing them according to the effort of each community, two years previously, and has chosen to define local effort as total expenditure less federal aid (a computation yielding local property taxation for education), it is apparent that the federal aid figure deducted from total expenditure must pertain to the same school year as the expenditure figure.

The Court has carefully examined the cases cited by the defendants. While the Court agrees with the reasoning and holding of those decisions, the facts of the instant case compel a different result. The United States, which has an interest in ensuring that Pub.L. 81-874 funds supplement and do not substitute for state aid, agrees that the Rhode Island law here challenged is not invalid under the Supremacy Clause. In accordance with the findings of fact and conclusions of law recited herein, the defendants shall present an order for the entry of judgment against the plaintiffs within ten days.



13. No contention is made, nor would the record permit a finding, that Rhode Island's decision to use two-year old figures for computing current state aid to communities throughout the state is based in any way on considerations arising from Pub.L. 81-874.

14. As early as 1953, Congress emphasized that Pub.L. 81-874 was not intended to change or influence the American tradition "of local control of education patterned to local desires and resources." H.R.Rep.No.703, 83rd Cong., 1st Sess., 5-6 (1953).

PROGRAMMED TAX SYSTEMS, INC., Plaintiff,

v.

RAYTHEON COMPANY and Raytheon Data Systems Company, Defendants.

No. 76 Civ. 432 (CHT).

United States District Court, S. D. New York.

Oct. 17, 1977.

Computerized tax service brought action to prevent computer hardware manufacturer from using initials "PTS" in conjunction with advertising, production or sale of its products. The District Court, Tenney, J., held that there was no likelihood of confusion arising from use of similar marks for tax service and computers and, thus, claim of trademark infringement would fail.

Complaint dismissed.

1. Trade Regulation ⇐334

In order to succeed in trademark infringement action, plaintiff must show a likelihood of confusion, mistake, or deception arising in market as result of defendant's use of mark registered to plaintiff.

2. Evidence ⇐268, 318(7)

In action brought by computerized tax service against computer hardware manufacturer to prevent latter from using initials in conjunction with advertising, production or sale of its products and in competition with plaintiff's registered trademark "P.T.S." and "PTS [design]," statements in affidavit of plaintiff's executive vice-president which consisted of his citation of statements made by him to others, insofar as they were offered for truth of matter as-

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 23, 1993, at 7:30 a.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe opened this meeting by stating we will continue to address items on the staff-prepared Amendments By Senate Select Committee and Senate Floor. (See Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes.) Some figures will be forthcoming on the money issues outstanding in HB 667.

ITEM #12: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from new impact aid fund to general fund.

Senator Delwyn Gage, Senate District #5, appeared before this Committee to give his opinions on the use of Public Law 81-874 (PL874) funds in HB 667. Senator Gage said a concern has been expressed that PL874 districts would have a lower General Fund (GF) budget to use under HB 667 because the PL874 money is taken out and put into a new fund. For instance, a district has $100,000 GF budget and they could go to 104% with the caps. That would mean that next year they would be at $104,000 under normal circumstances. Under the HB 667 proposal, they must pull the PL874 money out of their GF budget. If they had $20,000 of PL874 funds included in their GF budget, this will drop them down to $80,000. For calculating their cap, they have to figure 104% of $80,000 which gives them $3,200. The next time they will have $103,200. They will still have their PL874 money, and they can spend it, but they have to plug $800 of PL874 money into the

$103,200 in order to get the $104,000 cash figure they started with. They would then be forced to use PL874 money in order to equalize. He doesn't think the Federal government will look kindly on that.

Senator Gage said that the following year, they will have to pull $20,800 out of their budget, and they will have to plug in more PL874 money to get to their cap again. This will just keep snowballing until, theoretically, all their PL874 money will be used up in their budget.

Chairman Towe asked the Legislative Council Staff, Andrea Merrill and Eddye McClure, if their understanding is the same as that presented by Senator Gage. Ms. McClure said that is the language presently in HB 667 with the amendment presented by Curt Nichols, a member of the Governor's Budget Office, which was adopted during the first meeting on April 22nd. (HB066734.AEM)

Senator Gage suggested letting the PL874 districts calculate their GF budget on the old $100,000 example and they could get the extra $800 from the taxpayers rather than using their PL874 money.

Chairman Towe asked if it is possible to draft language that would say that the old budget figure will be used for the transition period for the authorized budget, but then still use the same procedure for all other purposes.

Rod Svee, Superintendent of Schools, Hardin, said he thinks the original language in HB 667 does this. Ms. McClure said this is correct.

Mr. Svee said there is an additional problem. He presented Exhibit No. 1 to these minutes. If the figures from his exhibit, and the figures Senator Gage displayed, are put into the amendment, there will be an inflated figure in the first year, one some of the schools may not be able to make up in the second year. The reference to "backfill" means that in the bill, the PL874 schools can use PL874 money instead of taxes to backfill below the 80%. Mr. Svee also presented Exhibits No. 2 and 3 to these minutes and explained them.

Rep. Boharski explained that the reason the language was changed was because there is a district out there that has one taxpayer, and he would have paid an amount of approximately 2,000 mills to bring that district to the 80% minimum budget level. The Senate Subcommittee then said a district <u>may</u> use PL874 money to replace any levies for under the 80% level, and the State will give Guaranteed Tax Base (GTB) aid on that PL874 money, just as it would match mill levy money.

Rep. Mike Kadas said the PL874 districts should be treated like everyone else and not use PL874 money to replace local effort. All their PL874 money can go on the above 80% amount.

Rep. Boharski asked if someone from the Office of the Legislative Auditor (OLA) could explain the huge mill values that have been presented for some districts. Jim Gillett, OLA, explained the big mill levies were a function of a K-12 district where the PL874 money wasn't allocated between the two separate districts. The PL874 money is re-allocated between the elementary and the high school parts of the district.

Mr. Svee said if the Senate Subcommittee amendment is removed, along with the amendment of Mr. Nichols, PL874 districts are on a level playing field. They would both need to be removed. They are not particularly related, but the effect is related.

Curt Nichols added that we have been assuming all along that you need a vote to go above the 104% cap, or the 20% growth allowed in the 80% level, but on a careful reading of the bill, that is not true in the first year. The way the bill reads now, anybody can go as far as they want the first year. If, in fact, that is the way it is, the fiscal note is understated right now. Chairman Towe said he doesn't think that is what was intended.

Page 17, Line 12, and Page 18, Line 6, of HB 667 were discussed. Ms. Merrill explained that the language on these pages was not intended to suggest that a district can go as far as they want. A district would have to adhere to the limitations in the bill for the first year, and wouldn't have to vote, but then in other years when a district did have a chance to have an election, they could exceed the limitations. The language in the introductory phrase on Line 12, Page 17, and Line 6, Page 18, doesn't express that properly. This will be fixed to reflect the Senate's intent. Chairman Towe asked if we are saying that there should not have to be a vote the first year? Ms. Merrill said it would just have to be clear that a district can't exceed the limitations the first year no matter what. She said there is no time to have an election to exceed any limits. The language will be clear that the districts are frozen to these limitations the first year.

MOTION/VOTE:

Rep. Boharski moved that in FY '94, the school year beginning July 1, 1993, the maximum growth allowed a district will be according to the amendment adopted on April 21, 1993, to go to five years instead of three years, and the caps to remain the same, with the percentages of 20%, 25%, 33 1/3%, 50%, and the remainder in the last year, and the first 20% will be the mandatory growth level. There will be no vote the first year. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Chairman Towe asked Mr. Groepper and Mr. Gillett if this motion will affect what is being discussed regarding PL874 funding. Mr. Groepper said OPI's assumption was that school districts could go wherever they needed to go in the first year and that is why they weren't able to understand how there was a cost savings doing what was being discussed with the PL874 districts. If those schools have to take the PL874 out and can only grow 20% of a much smaller number, then this Committee should give some serious considerations to what Mr. Svee is saying; otherwise, the districts will be hammered down so much they will not be able to get back to where they were last year. Chairman Towe said if we do that, we lose out $3.5 million. Mr. Groepper said the policy question being addressed here really goes beyond just PL874 districts. There are districts that had Bonneville Power Company tax money in their GF budget last year which became a part of their base, and there are other similar situations existing in other districts, and the Committee is focusing in on the one issue (PL874) because there is a fiscal note implication. Mr. Groepper thinks the Committee needs to look at these other situations in other districts with similar kinds of access to money above the 10% reserve limit that they spent last year legitimately where they might have had an unusual special education situation. The Committee needs to look beyond the cost and look at the fairness.

MOTION:

Senator Stang moved to strip the Senate Select Committee amendments in relation to the PL874 funds, and strip the amendments put into the bill on April 22 with regard to the PL874 funds.

DISCUSSION:

Senator Stang said if we leave the weighted Guaranteed Tax Base (GTB) in the bill, everybody below the 80% will levy the same amount of mills. This will bring everyone in line, and there will be no worries about the PL874 monies, and everyone will be on a level playing field. That is what we are trying to do with this bill.

Chairman Towe asked Curt Nichols to address this motion. Mr. Nichols said the transition language relates to the starting point for the FY '94 budget. Without the transition language, you are starting at the budget including the PL874 money. If the transition language is included, the starting point is the '93 budget without PL874. So, a district will be starting at a lower point, and then increasing from that point. If they vote to increase further, they have to levy the mills to get there. That is what Rep. Peck's language would do.

Rep. Boharski said we don't care how a PL874 district spends their money. They can go to 104% of the last year and use all their PL874 money on top of that. Mr. Nichols said they can spend at a level equivalent to over 100%.

Senator Stang withdrew his previous motion because there are two different issues involved.

MOTION:

Senator Stang moved to strip the Senate Subcommittee amendments requiring a PL874 district to levy at least the statewide average mills before applying the PL874 money from the new fund.

DISCUSSION:

Ms. McClure said the Senate Subcommittee adopted those amendments before this Committee added the weighted GTB. She said a district will still have to transfer their money over to the new account which was part of the Senate package. Ms. Merrill said this motion will strike (3) on Pages 125 and 126, and related references throughout the bill.

Lynda Brannon, representing Indian Impact Aid Districts Association, said once weighted GTB was put into place, it became a moot issue. Rep. Boharski said by striking this language, it takes away the ability of a PL874 district to use PL874 funds to off-set local money. Ms. Brannon said by striking the language, a district would be taking off the requirement to levy at least the previous year's state-wide average levy.

Rep. Kadas said this will not allow the use of PL874 monies to leverage State subsidy GTB dollars. That will have to come from local taxpayers. That means that all of the PL874 monies will have to be used in the 80% to 100% budget level.

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote.

MOTION:

Senator Stang moved to strip the transition language, requiring a district to build a general fund budget without including PL874 money.

DISCUSSION:

Senator Stang said he makes this motion in good faith. The people he has talked to aren't so sure that the money to be saved with this amendment will be worth the gamble of losing the PL874 funds for all districts in the State.

Chairman Towe asked Mr. Groepper to express his thoughts on this motion. Mr. Groepper said he would have to go back to his earlier statements. The Committee is looking at only one kind of money (PL874), and saying they can't count whatever they spent in their budget last year using that money. There are a number of other school districts who have access to different excess reserve money, and the Committee is saying that expenditure is okay. He has to question the merit of picking on the one class of school district and saying we are not going to allow you to count those expenditures because we have figured out a way that by not counting those, that will save us money. Mr. Groepper thinks that is not the right way to build the new policy.

VOTE:

The motion FAILED on oral vote with Senators Stang and Towe voting "AYE".

DISCUSSION:

Rod Svee asked if it is possible to compromise by re-writing yesterday's amendment to limit it to a single, or current, year's receipts of PL874 monies.

Exhibit No. 4 was presented. This is the amendment adopted on April 22, including some changes Rep. Boharski wanted in it. (HB06673.AEM).

Mr. Svee said it would need to be changed to "current fiscal year receipts".

Mr. Svee said the second thing he is asking the Committee to do is to go to the Department of Education for a ruling. If the ruling favors the PL874 schools, he asked that some type of a severability clause is inserted into the language to protect the bill in case of an adverse decision. Ms. McClure said this is already included in the bill.

MOTION/VOTE:

Chairman Towe moved the adoption of the amendment on Exhibit No. 4, with "of that fiscal year" being added after "receipts", and the remainder of the sentence stricken from (7). The motion to amend (7), Page 19, Line 24, to read, "...and federal revenue, excluding PL874 receipts of the fiscal year ending June 30, 1993.", and delete the remainder of that sentence, CARRIED UNANIMOUSLY on oral vote. (HB066734.AEM, as amended.)

ITEM #10: Amended in Senate version of SB 32 (GTB aid for debt service fund).

DISCUSSION:

Senator Stang asked if this Committee could discuss SB 32 so that proposal could be taken back to the caucuses.

Exhibit No. 5 was distributed. Ms. Merrill explained this exhibit is a meshing of the two different ideas, with the capping of the money being the key thing. There would be $2 million to be divided up to $700,000 the first year, and $1.3 the second year. This uses the entitlement idea that the House Education Committee put in, and by re-working it, it would involve the same definition of entitlement. For the first two years, a district would be entitled to have some of this money if two things happen. (1) If a district were eligible for GTB, and (2) If a district had incurred bonded indebtedness after July 1, 1991. The eligibility for GTB is just a threshold to receive the entitlement amount per ANB. But, since only $2 million is available, each entitlement is pro-rated by the Superintendent of Public Instruction.

Rep. Hanson explained the July 1, 1991, date in 2(2)(b) was picked because it is the date of the start of the lawsuits. At this point we have to add additional language saying that is up through July 1, 1995, and at that point we want another sentence added saying, "the funds would then be expended for capital expenditures which would include debt service". Rep. Hanson said his caucus feels very strongly about this, that there has to be some money available for the rural communities that are not building new buildings.

Chairman Towe said this proposal will do almost exactly what was in SB 32 with the compromise language amendment, except that, instead of having to go to the Superintendent's office, the Board of Public Education, to get permission to determine whether it was an emergency, special health needs, etc., it is determined by a formula to determine how much is allocated to each of the bonded indebtedness schools only. He thinks that makes a lot of sense. Rep. Hanson, however, wants to add something in for 1995. This amendment proposal will be discussed during the next meeting.

ADJOURNMENT

Adjournment: The meeting adjourned at 9:05 a.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

930423SF.667

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-23-93 7:30 A.M.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

OPI | Auditor

School	Enroll 92-93 ANB	Budget	Current GF Less 874 Sp Ed	92-93 Sp Ed	Min Mand GF Budget	Base funding	max GF Bud.
Harlem HS	143 146 (140)	1,085,320	633,340	8,238	728,086	728,032	908,228
Simms	167 154 (149)	809,195	787,952	21,243	758,968	838,836	1,043,871
Arlee	150 (145)	833,728	496,198	17,498	743,530	717,811	893,414
Hardin El	135	4,793,690 FY94 Budget Incl. Sp Ed	3,322,875 FY94 Budget minus FY93 Budget	285,917	3,491,442 State Support for FY94 Budget Includes Sp. Ed.	4,014,772 their figures apply 874 (432,603)	4,955,563
Harlem	143 1,085,320		0		541,869	443,742	
Simms	841,563		32,368		703,267	(101,774) FY92 Rec	
Arlee	867,077		33,349		533,514	320,032	
Hardin El	4,955,563		161,873		3,207,957	1,184,898 (865,000)	

	Current GF w/o 874 with Sp Ed	(auditor) Base Funding	Diff.	4% of Current Budget	20% of Diff
Harlem	641,578	728,032	86,454	43,412	17,291
Simms	809,195	838,836	29,641	32,367	5,928
Arlee	513,696	717,811	204,115	33,349	40,823
Hardin El	3,608,792	4,014,772	405,980	191,748	81,196

	max allowable 874	874	may 92 taxable value	(auditor) GTB mills to support FY94 Bud	Amount to Backfill	Net 874
Harlem	684,990	443,742	7,796,679	25.11	195,775	247,967
Simms	841,562		3,484,841	31.06		
Arlee	554,519	320,032	1,712,518	40.02	68,534	251,497
Hardin	3,800,540	814,898	12,172,003	54.07	658,140	156,758

	Bud if Backfill used	Bud if levied perm mills	Comp to current if levied
Harlem	932,957	1,128,732	+ 43,412
Simms		841,562	+ 32,367
Arlee	806,016	874,551	+ 40,823
Hardin El	3,957,298	4,615,438	-178,252

Exhibit 1
4-23-93
HB667

ELEMENTARY DISTRICT
FINAL BUDGET REPORT 1992-93

OPI County Code: [ ] Legal Entity Code: [ ]

VII. – GENERAL FUND DISTRICT REVENUES WORKSHEET

ANB and Foundation Program Schedule Amounts by Budget Unit

This section is to be completed by those districts who will be aggregating ANB but did not last year.				This section is to be completed by ALL districts.		
BUDGET UNIT	OPI CERTIFIED DISTRICT BUDGET UNIT BEFORE AGGREGATION [A]	OPI CERTIFIED AVERAGE NUMBER BELONGING, ANB [B]	FOUNDATION PROGRAM AMOUNT FROM SCHEDULES [C]	OPI CERTIFIED DISTRICT BUDGET UNIT AFTER AGGREGATION [D]	OPI CERTIFIED AVERAGE NUMBER BELONGING, ANB [E]	FOUNDATION PROGRAM AMOUNT FROM SCHEDULE [F]
01					Toxo Co-op Comm	
02					SCHOOL ADMINISTRATION	
03					EXHIBIT NO. 2	
04						
05					DATE 4-23-93	
06						
07					SB NO. HB667	
08						
09						
	TOTAL	B1	C1	TOTAL	E1	F1

1. **Foundation Program Schedule Amounts**
   Calculation for districts who completed col. A—F (C1 minus F1 times .60) — 1a
   Calculation for districts after completing col. D—F (copy amount in F1 above) — 1b
   Total Foundation Program Schedule Amount (1a plus1b) — 1c

2. **District Special Education Allowable Costs** — 2

3. **Total District Foundation Program (Line 1c + Line 2)** — 3

4. **Prorated Special Education Cooperative Costs** — 4

5. **Permissive Budget Limit**
   District Foundation Program multiplied by 35% (Line 3 x .35) — 5a
   Prorated Special Ed. Co-op Costs multiplied by 35% (Line 4 x .35) — 5b
   Permissive Budget Limit (Line 5a + Line 5b) — 5c

6. **General Fund Budget Spending Limit Components**
   Original Prior Year General Fund budget — 6a
   Prior Year Adopted General Fund Budget Amendment (base building) — 6b
   104% Budget Limit (6a + 6b x 104%) — 6c
   135% Budget Limit (Line 3 + Line 5c) — 6d
   Estimated P.L. 81-874 Receipts — 6e
   Consolidation or Annexation Bonus Payments — 6f

7. **Adopted General Fund Budget** — 7
   Cannot Exceed the Greater of (Lines 6c + 6e + 6f) OR (Lines 6d + 6e + 6f)

8. **Permissive Amount Budgeted (Cannot Exceed Line 5c)** — 8

9. **Total Unreserved Fund Balance Available for Reappropriation** (Must match page 2, Line 37, Col F) — 9
   Amount reappropriated for permissive budget — 9a
   Balance remaining to be appropriated (Please identify amount in 9b below) — 9b
   (1) P.L. 81-874 in unreserved fund balance — 9b(1)
   (2) Prior year excess reserved other than P.L. 81-874 — 9b(2)
   (3) Remaining fund balance available for reappropriation (after permissive area is satisfied) (Line 9b - 9b(1) - 9b(2)) — 9b(3)

BEST COPY AVAILABLE

LEMENTARY DISTRICT
INAL BUDGET REPORT 1992-93

OPI County Code: [ ]

EP-1E
(2/92

II. – GENERAL FUND DISTRICT REVENUES WORKSHEET

NB and Foundation Program Schedule Amounts by Budget Unit

This section is to be completed by those districts who will be aggregating ANB but did not last year.				This section is to be c		
DGET JNIT	OPI CERTIFIED DISTRICT BUDGET UNIT BEFORE AGGREGATION [A]	OPI CERTIFIED AVERAGE NUMBER BELONGING, ANB [B]	FOUNDATION PROGRAM AMOUNT FROM SCHEDULES [C]	OPI CERTIFIED DISTRICT BUDGET UNIT AFTER AGGREGATION [D]	OPI AVER BEL	ATION AMOUN EDULE
01						
02						
03						
04						
05						
06						
07						
08						
09						
	TOTAL	B1	C1	TOTAL	E1	

1. **Foundation Program Schedule Amounts**
   Calculation for districts who completed col. A—F (C1 minus F1 times .60) — 1a
   Calculation for districts after completing col. D—F (copy amount in F1 above) — 1b
   Total Foundation Program Schedule Amount (1a plus1b) .....

2. **District Special Education Allowable Costs** .....

3. **Total District Foundation Program (Line 1c + Line 2)** .....

4. **Prorated Special Education Cooperative Costs** .....

5. **Permissive Budget Limit**
   District Foundation Program multiplied by 35% (Line 3 x .35) 5a
   Prorated Special Ed. Co-op Costs multiplied by 35% (Line 4 x .35) 5b
   Permissive Budget Limit (Line 5a + Line 5b) .....

6. **General Fund Budget Spending Limit Components**
   Original Prior Year General Fund budget 6a
   Prior Year Adopted General Fund Budget Amendment (base building) 6b
   104% Budget Limit (6a + 6b x 104%) 6c
   135% Budget Limit (Line 3 + Line 5c) 6d
   Estimated P.L. 81-874 Receipts 6e
   Consolidation or Annexation Bonus Payments 6f

7. **Adopted General Fund Budget** .....
   Cannot Exceed the Greater of (Lines 6c + 6e + 6f) **OR** (Lines 6d + 6e + 6f)

8. **Permissive Amount Budgeted (Cannot Exceed Line 5c)** .....

9. **Total Unreserved Fund Balance Available for Reappropriation** (Must match page 2, Line 37, ...
   Amount reappropriated for permissive budget 9a
   Balance remaining to be appropriated (Please identify amount in 9b below) 9b
   (1) P.L. 81-874 in unreserved fund balance ..... 9b(1)
   (2) Prior year excess reserved other than P.L. 81-874 ..... 9b(2)
   (3) Remaining fund balance available for reappropriation (after permissive area is satisfied) 9b(3)

DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

PAYMENTS FOR MAINTENANCE AND OPERATION OF SCHOOLS UNDER THE ACT OF SEPTEMBER 30, 1950, 64 STAT. 1100

(Title I of Public Law 81-874, as amended)

SCHEDULE NO.	VOUCHER NO.	FISCAL YEAR	DATE
MO. 1136	MO. 07415	92	06/03/92

APPLICANT NUMBER: 36-MT-92-1016
CONGRESSIONAL DISTRICT: 002

TOTAL ADA: 1,055.39
TOTAL CURRENT EXPENDITURES: 5,487,470

PAYEE:
HARDIN E S D NO 17-H
AUTHORIZED REP PL 874 TITLE 1
RT. 1, BOX 1001
HARDIN MT 59034

IN RESPONSE REFER TO K309/S041Z22870

LOCAL CONTRIBUTION RATE (LCR)
A: 2,352.00 B: 2,352.00

COUNTY BIG HORN

Faxed Copy Copy

EXHIBIT NO. 3

DATE 4-23-93

FILE NO. HB667

ENTITLEMENT

SEC. 2 ASSESSED VALUE	$		× RATE $.		$		%	$
SEC. 3a	ADA	×	RATE	(% OF LCR)		ALLOCATION: HOLD HARMLESS		
a)(1)	10.68	×$	2,352.00	(100.0 %)$	25,119.36		%	$ H-H PRORATE:
a)(1) LRH		×$		(%)$			%	$ 95.0%
(a)(2)		×$		(%)$			%	$ H-H CALC:
(a)(2) LRH		×$		(%)$			%	$ 812,272.79
a)(2) SPED		×$		(%)$			%	$ H-H MAX:
(a)(2) MLRH SPED		×$		(%)$			%	$ 1,158,476.31
(a)(2) INDIANS	308.78	×$	2,940.00	(125.0 %)$	907,813.20		%	$ SPED ADD-ON:
a)(2) IND SPED	27.59	×$	4,410.00	(187.5 %)$	121,671.90		%	$ 40,557.30
TOTAL 3a	347.05			$	1,054,604.46	H-H CALC	$	812,216.45
SEC. 3b	ADA	×	RATE	(% OF LCR)		ALLOCATION: WAVE 1 50.0%		
b)(1)	.89	×$	588.00	(25.0 %)$	523.32	5.0 %	$	26.17
(b)(1) LRH		×$		(%)$		%	$	
(b)(2)(A)	86.32	×$	588.00	(25.0 %)$	50,756.16	5.0 %	$	2,537.81
b)(2)(A) LRH		×$		(%)$		%	$	
9)		×$		(%)$		%	$	
.3) LRH		×$		(%)$		%	$	
b)(3)		×$		(%)$		%	$	
b)(3) SPED		×$		(%)$		%	$	
TOTAL 3b	87.21			$	51,279.48	WAVE 1	$	2,563.98
TOTALS 3a and 3b			434.26	$	1,105,883.94		$	814,780.43
3(d) (2) (C) ADD-ON		×$		$	40,557.30	%	$	
3(d) (2) (C) MAXIMUM		×$		$	NA	%	$	
OTHER		×$		$		%	$	
OTHER		×$		$		%	$	
OTHER		×$		$		%	$	
OTHER		×$		$		%	$	

92-02 PAYMENT FINAL BEFORE FR

TOTAL PAYMENTS SUMMARY (sum of line 1 and lines 20 through 26)	$ 1,105,883.94	$ 814,780.43
PRIOR PAYMENTS FOR THIS FISCAL YEAR		$ 749,191.87
OVERPAYMENT – If line 28 is greater than line 27 then an overpayment of this amount exists.		$
AMOUNT CERTIFIED FOR CURRENT PAYMENT THIS FISCAL YEAR (line 27 minus line 28)		$ 65,588.56
DEDUCTIONS FOR PRIOR OVERPAYMENT(S) FY $ FY $ FY $ FY $		TOTAL $
AMOUNT OF PAYMENT TO APPLICANT (line 30 minus line 31)		$ 65,588.56

ED FORM 4119, 1/76: REVISED 10/88

DISTRIBUTION: LEA, OFFICIAL FILE, PAYMENTS FILE, FIELD OPERATIONS, SEA, LIST BOOK

Free Conf Comm
EXHIBIT NO. 4
DATE 4-23-93
BILL NO. HB667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Conference Committee on House Bill 667
For the Committees of the Whole

Prepared by Eddye McClure
April 20, 1993

1. Page 12, line 17.
Following: "(A)"
Strike: "If"
Insert: "Except as provided in subsection (7), if"

2. Page 12, lines 18 and 19.
Following: "beginning"
Strike: remainder of line 18 through "SECTION"
Insert: "July 1, 1994,"

3. Page 17, line 19.
Following: "(3)"
Strike: "WHENEVER"
Insert: "Except as provided in subsection (7), whenever"

4. Page 18, line 11.
Following: "(A)"
Strike: "IF"
Insert: "Except as provided in subsection (7), if"

5. Page 19, line 24.
Following: line 23
Insert: "(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts and reappropriated Public Law 81-874 funds."

7-20 Conf. Comm
SENATE TAXATION
EXHIBIT NO. 5
DATE 4-23-93
BILL NO. HB677

1. Title, page 4, line 4.
Following: "PROVIDING"
Insert: "STATE SUPPORT FOR A PORTION OF A SCHOOL FACILITY ENTITLEMENT PER ANB BASED ON A VARIATION OF"

2. Page 118, lines 16 through page 199, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. **Section 39. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "School facility entitlement amount" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b) has incurred bonded indebtedness in the debt service fund of the district after July 1, 1991.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. **Section 40. Calculation and uses of school facility entitlement amount.** (1) The school facility entitlement amount for a district is calculated in the following manner:

(a) the total school facility entitlement times (1-(district mill value per ANB/statewide mill value per ANB)) times any percentage of school facility entitlement amount calculated under the provisions of subsections (b) or (c);

(b) for the school fiscal year beginning July 1, 1993, the proration of $700,000 and the total statewide school facility entitlement obligation; and

(c) for the school fiscal year beginning July 1, 1994, the proration of $1,300,000 and the total statewide school facility entitlement obligation.

(2) The trustees of a district may apply school facility entitlement amount to reduce the levy requirement of the district debt service fund as provided for in 20-9-439."
Renumber: subsequent sections

3. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of guaranteed tax base aid for the debt service funds of districts, limiting the distribution of school facility entitlement amounts from the state equalization aid account to no more than $700,000 for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 39 and 40] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued after [the effective date of this section] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 39];

(b) based on the limitation of state equalization aid for debt service purposes in this subsection (2), determining the percentage of school faiclity entitlement revenue that each eligible district must receive for the school fiscal year;

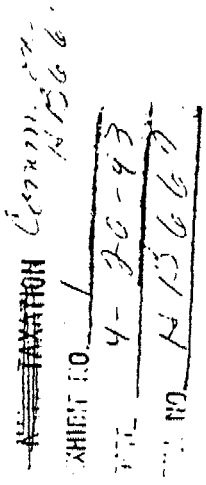
(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2)."

Renumber: subsequent subsections

4. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) guaranteed tax base based on the debt service mills for the prior school fiscal year that qualified for aid under the provisions of 20-9-346, 20-9-366 through 20-9-369, and [section 39];"

HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR



1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191%
   (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 23, 1993, at 1:00 o'clock p.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe said the three issues this Committee needs to talk about are (1) Clarify the Public Law 81-874 (PL874) issue; (2) Debt service equalization issue; and (3) Funding of HB 667. (See Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes).

ITEM #12: Allow districts receiving Public Law 81-874 (PL874) Funds to transfer from new impact aid fund to general fund.

DISCUSSION:

Chairman Towe said the Gage amendment was to remove the transition language in the Boharski amendment from the maximum allowable budget, and not from all the rest, just for the 104% purpose.

Rep. Boharski explained that under the Gage amendment he wanted a district to have budget authority even though the transition of PL 874 money to a new fund was in the bill. The budget authority would still be 104% of last year's budget.

Andrea Merrill, Legislative Council Staff, said the amendment that passed the meeting this morning was to take out (3) on Pages 125 and 126, and related references throughout the bill.

Senator Gage said he thought the transition language was defective because it is going to actually limit the budgets of Federal impact aid schools unless we allow them to go the full maximum budget of 104% of the FY '93 budget, instead of the FY '93 budget with PL874 funds removed.

Rep. Boharski asked if an amendment could read that if a district receives PL874 funds in FY '93 and is affected by the transition section, their budget cap will be 104%, or 104% plus ANB, based on their FY '93 budget including PL874. Senator Stang said this is what Senator Gage is asking for. Chairman Towe said this amendment should be drafted and presented.

Rod Svee, Superintendent of Schools, Hardin, said the receipts to be excluded are the receipts received in the FY '92-FY '93 school year, ending June 30, 1993.

Rep. Hanson asked how the budget can be determined when the district won't have its full receipts for 1993 until after July 1. Mr. Svee said these usually come in January and June. The receipts are always for a year behind.

MOTION/VOTE:

Senator Brown moved to adopt an amendment that for purposes of the 104% cap, the PL874 funds will be included for FY '93. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Mr. Svee asked if the PL874 receipts being discussed in this amendment will apply to the FY '92 receipts. Payments are sometimes as much as six years late in arriving. Chairman Towe said this amendment is for actual receipts. It doesn't matter when the entitlement was due or when it was appropriated by Congress. When the district receives the PL874 money in that fiscal year, that is considered receipts.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

DISCUSSION:

Chairman Towe said this Committee discussed this item briefly at the end of the previous meeting and received an amendment prepared at the request of Rep. Hanson, a copy of which is attached to these minutes as Exhibit No. 1.

Rep. Boharski offered Exhibit No. 2 to these minutes and explained two problems involved in this issue. First, the State would be giving out little pittances of money to the districts through the Hanson entitlement plan, and second, some of those districts may not need the money at this time. The Office of Public Instruction (OPI) prepared data for the Office of the

Legislative Auditor (OLA) showing all of the schools that have outstanding bond issues, whether a school is in the first year, or the last year, of a bond. The thought behind this is that money would only be given to schools who need it. Through this effort, they created a model school, which is shown on page 1 of Exhibit No. 2. The costs shown are factual numbers for building costs of this day. The cost to build an elementary school would be $4,305,000, based on dollars per square foot, square foot per student requirement, and an estimated 400 students in the school. Dividing the $4.305 million figure by the square foot per ANB cost, it comes to $220 per ANB per year that, theoretically, every student in the State ought to be entitled to. Rep. Boharski said some schools may build more plush facilities than necessary, and if the State is subsidizing on a 50% subsidy range, those schools would receive substantially more money than they would be entitled to if they built a stripped-down facility.

Rep. Boharski said he then looked at the entitlement plan versus the equalization of debt service in SB 32, as amended by the Senate. The $2 million available was divided among the schools that have outstanding bond indebtedness and no money was given to the schools without debt service. These figures are shown on Exhibit No. 2, pages 2 through 11. Under this scenario, Kalispell Elementary Schools would get $60,000. Under the entitlement plan, they would have gotten approximately $200. Under Senate Bill 32, they would get nothing.

Senator Stang asked what happens when the costs of building a school changes? Do we change the formula every two years, and is this part of the amendment to update the cost factor? Rep. Boharski replied the figures would be changed when the building costs changed and a new bill would be presented to the Legislature to change the formula.

Rep. Hanson said the formula on Page 1 of Exhibit No. 2 shows a 15% FY '94 and 15% FY '95 implementation percentage. These are figures included in the amendment. Those figures would be changed each legislative session, depending on the monies that are available. On a regular basis, he would not expect that the ANB cost would change drastically over the next 10 years.

Rep. Boharski said if the accreditation standards were to change, the square footage numbers may have to change.

Chairman Towe asked if this formula is influenced by debt service amounts so that the amount of the outstanding indebtedness of a certain district would enter into how much money they get. Rep. Peck said the payment is determined by the amount of outstanding bonds.

Jim Gillett, OLA, explained the amount of annual debt service districts are paying right now does enter into these figures. OLA also added in the 8 or 10 districts that were projected to have new debt service in the next two years. If a

district has a debt service requirement, and they have an entitlement that is computed under the House version of SB 32, under this plan they can get GTB aid if they are eligible for it, for a maximum of their debt service or their entitlement, whichever is less. For instance, if their entitlement is $300,000 and their debt service is $100,000, they would get GTB aid on $100,000.

Senator Stang asked about changing this model to only apply to schools that have incurred debt as of the date of the lawsuit. Will that increase the amount that goes to some schools? Mr. Gillett referred him to the first page on Exhibit No. 2. Of the entitlement amounts (the lesser of their entitlement under the House version, or their debt service), with $2 million available, the State could afford to give GTB up to 15% of those amounts. Were the State to limit it to only people who issued debt after July 1, 1991, then the percentage would go up because the entitlements would go down for everybody who had no debt.

Senator Stang said the concept discussed in SB 32 was put together by an interim committee who put a lot of study and work into it. He asked Senator Chet Blaylock to comment on this issue, and what direction he thinks the interim study committee might have gone had this proposal been offered to them. Senator Blaylock said he and Senator Bob Brown were co-chairmen of the interim committee that came up with SB 32. The Legislature appointed the interim committee to satisfy the a results of the lawsuit by the Underfunded Schools Coalition. Because of the decision of the Supreme Court, when the interim committee met last summer, they were faced with the responsibility of taking some action because no school bonds could be sold in the State of Montana. The interim committee put in a stop-gap measure which used Coal Tax money as backing for those bonds, and the bonds were finally okayed by Mae Nan Ellingson, bond counsel with Dorsey Whitney.

Senator Blaylock's preference, and the preference of the interim committee, was that something would be done to help those school districts from here on out who are going to build. SB 32 as introduced, would help both the bonds which are still being paid off, and those bonds which will be sold in the future. Senator Blaylock estimated the state aid to be $7.5 million. Given what the Legislature was faced with at the beginning of this session, there is no way those funds would be available. They then decided to make the bill prospective only. Senator Blaylock thinks that further dilution of available money to the schools is being done with this proposal. There may be a secondary motive that might discourage schools, particularly smaller schools, from doing building and, therefore, may force some consolidation. He thinks it would be better to just take a straight shot, and say that next session a bill will be introduced that will fund schools and the aim is consolidation. He thinks SB 32, as it came out of the Senate, was a simple, straight-forward way of handling this issue. He thinks this

proposal is complicating the whole procedure. If it is handled this way, Senator Blaylock would suggest that they not go back to 1991. He thinks schools that bonded preceding 1991 will not listen to the argument about the 1991 lawsuit date. He suggests it would be safer to use a January, 1993, date forward, or whatever date is established. He also thinks it is a good idea that the OPI and the State Board of Education will look at bond proposals. This will protect the State from giving GTB aid for the huge gymnasium, for instance, that some school districts may not need.

Senator Stang said, other than the fact that this proposal uses a mathematical formula to determine the cost per square foot per ANB to distribute the money, it is similar to the way SB 32 was introduced, except that this has a cap on it. He asked Senator Blaylock if he agrees with the mathematical formula? Senator Blaylock said he doesn't think it is particularly educationally relevant. He thinks there is a great danger in the State Legislature micromanaging the schools. The Constitution gives the school boards of the State the power to go to their people and ask for permission to build. He thinks this is the real cap operating all the time in the State. He can't see any superintendent and school board being able to go out and sell their people on huge construction projects that they can't justify to the citizens of that school district.

Rep. Boharski asked Senator Blaylock to comment on the way this proposal is drafted, where there is no longer any review by OPI or the Board of Public Education. It is unnecessary because the building funding formula establishes the building cost. Senator Blaylock said he sees a value in OPI and the Board of Education reviewing the bond proposals and determining if the proposals are educationally relevant or necessary for health purposes, or whatever. They could determine to give a school GTB only for the things they determine necessary.

Rep. Peck asked if Rep. Boharski's position is that the building reserves or building maintenance fund would not be covered, just the debt service, and Rep. Hanson proposed to allow aid for both.

Senator Brown asked if some others interested in this issue could speak to it. Pat Melby, Underfunded Schools Coalition, representing the Plaintiff School Districts, said he has looked at Rep. Hanson's proposed amendment and the change to amend number 10 (2)(c) that would say "after July 1, 1995" rather than prior to, and he thinks it would work. He also thinks what Rep. Boharski talked about in terms of Exhibit No. 2, would work. He thinks either of these are a compromise that would get off dead center on this issue.

Senator Brown asked for explanation of the change to Page 3, (2)(b).

Rep. Peck asked if Rep. Boharski and Rep. Hanson are at odds over the building reserve fund being included. Rep. Boharski said it seemed like a reasonable thing to include.

Jim Gillett said the spread sheet (Exhibit No. 2) does not exactly match the amendment (Exhibit No. 1). Debt service only is in the spread sheet. It covers all debt service, regardless of when that debt was issued, and includes the projected new debt service in FY '95.

Rep. Hanson asked if the $700,000 for the first year, and $1.3 million for the second year, would be replaced by $900,000 and $1 million. Mr. Gillett said this would be correct.

Gene Huntington, Dain Bosworth, bond counsel, said there seems to be a fairly short list of schools that meet all the criteria.

Greg Groepper, OPI, said this plan is new and they haven't had a chance to study it. However, whatever this Committee ends up doing, OPI will do its best to put it in place. If bond counsel thinks it will work, and Pat Melby thinks it is a compromise, OPI will give it a shot. The Committee needs to make sure that they tell the school districts where the money needs to be deposited so that it is clear what the intent is. If the intent is to put the money into the debt service account, or if the Committee decides to expand to include building reserves, the districts need to know it goes into building reserves. A district can still make capital outlay expenditures out of the General Fund (GF), based on amendments adopted earlier. It must be made clear to the districts that these funds need to go to the accounts that back up the bonds, and they don't sell bonds out of the GF.

Madalyn Quinlan, OPI, said this amendment and the spread sheet by Rep. Boharski, will work well. She understands we are looking at guaranteeing what will turn out to be approximately $33 per pupil next year for an annual debt service payment. If the district's annual debt service payment turned out to be more than that, then the State would only fund the $33 per pupil, based on the district's GTB eligibility. Ms. Quinlan thinks this is a good way to go back to cover all districts that have issued debt up until this point, instead of only going toward the future issues only. Administratively, it works very similarly to what was discussed in recent meetings where the mills levied are calculated and then a district is reimbursed after the fact.

MOTION:

Rep. Hanson moved to adopt the amendments on Exhibit No. 1 and the Boharski amendments and modify the numbers to coincide. (HB66761.aam)

DISCUSSION:

Chairman Towe recited the motion for clarification. The amendments on Exhibit No. 1 are being adopted with changes as follows: Page 2, 10(2)(b), strike "after July 1, 1991", and leave the language on Page 3, (2)(b). Rep. Hanson said this is correct, and change the $700,000 (Page 2, Section 40 (b), to Boharski's $991,739 figure.

Rep. Hanson asked Andrea Merrill, Legislative Council Staff, if she is comfortable with the language "prior to" on Page 2, 10(2)(c); can this language remain and still cover building reserves. Ms. Merrill said this was put in to give a district a chance to create a building reserve. They have to vote and create it, and be ready to accept an entitlement amount into it should they choose that option. Rep. Hanson said his question is what happens on July 2, 1995? Chairman Towe said if they don't have a reserve, they aren't eligible. Rep. Hanson said the school districts should be able to create a building reserve at some time in the future. Chairman Towe suggested putting a period after "fund", and strike "prior to July 1, 1995" from 10(2)(c).

Pat Melby said this would change the whole spread sheet.

Chairman Towe said the numbers the OPI wants included may need to be changed later. The concept needs to be discussed. He said we would be voting on the concept, and the numbers may be changed to make it correspond with the intent. Rep. Peck asked if we are voting subject to confirmation of the data that will be brought back to us. Chairman Towe said this is correct.

Chairman Towe said he has some problems with bringing in the building reserve fund. He is not sure that is the right idea. He also has some problems with taking out the July 1, 1991, date and, therefore, bringing in all past indebtedness. It seems like that dissipates the funding. Those districts that bonded before the Court case came down are servicing that indebtedness, they are very happy with their situation, and why bring them in and give them a windfall. He thinks we need to focus this money on those districts which have a serious need for building.

Rep. Hanson responded that if we are going to an equalization method and we are trying to help equalize capital expenditures on a GTB basis then we should go back as far as we can and pick up everything. Some of those schools that have older bonds were part of the lawsuits that were filed. He thinks they are all entitled to State funds on an equalized basis. This was the original intent of SB 32 and it can still be done, but with less money.

Chairman Towe asked if Rep. Hanson would address the building reserves [Section 40(2)(b), Exhibit No. 1]. Rep. Hanson said we have to remember that SB 32 includes buildings, health

and safety, and accreditations. Those items may be too small for a bond issue, and consequently, we need to let them apply the aid to the building reserve fund.

Senator Stang said he agrees with the first part of the amendment, and the dates are negotiable with him, however, the building reserve bothers him. He has been on the Education Committee for four terms and it seems like every time a school builds up a reserve, the Legislature makes them spend it on something else. Some of the schools vote the building reserves and put money into them for 8 or 10 years. They were looking at current needs and not building up reserves. If we can get away from the reserve issue, the rest of the concept is fairly acceptable to him.

Rep. Hanson said the only way we can take care of the small needs is to allow the people to accumulate some money without going out for bonded debt. He thinks the small schools are entitled to it.

Mr. Groepper said there are two issues being discussed here. If a district wants to create a debt, usually for a much bigger project to be financed over a longer period of time because they wouldn't subject the taxpayers to paying off a $2 million school in a year or two, they create a debt service. They pass a levy election and get authority to sell bonds, sell the bonds and create a debt service account. That is where they levy the mills and pay off the bond each year over a 20-year period. If they have a shorter term project, but large enough that under current law they wouldn't finance out of the GF, and they don't want to create debt, they try to create building reserves and set that money aside. Some school districts like to do that as a contingency if they are in growing-enrollment situations, so they have money to turn to, for instance, to add on a classroom without impacting their mill levy. To create a building reserve account requires a vote.

Senator Stang asked if there are a number of schools that have building reserve accounts now that will come under this bill. Mr. Groepper said there are number of schools with building reserve accounts, and some have created those accounts for a very narrow purpose to add and plan for classrooms down the road, or plan for taking care of some special item they don't want to pay for it all at once, such as computer additions to the classrooms, etc. It depends on how this amendment is structured. If it is for building reserves adopted after July 1, 1995, then that would have less impact on building reserve accounts established today.

Senator Stang asked if a school can set up a building reserve fund for computers. Mr. Groepper said they can set up a building reserve for acquisitions for building, like furniture, desks, classrooms, and long-term equipment like computers.

Rep. Peck said he agrees with Rep. Hanson's proposal in principal. He thinks it is the one major fund remaining that is totally a local levy. However, he doesn't think we need to fight this battle now, because it is not coming in until two years down the road. Rep. Peck said if that issue is given up at this time, it may get this issue down the road.

Rep. Hanson said his caucus is not ready to give up on this, but they might be more willing to if he can guarantee that after July 1, 1995, the building reserves will be brought into it. He suggested the flip side of this; leave it in and if the legislators in the next session don't like it, they can take it out.

Chairman Towe said his caucus is very firm on this issue. However, there is some outside possibility that they might be talked into going along with starting this on July 1, 1991, and leave out the building reserve, which is not going to take affect for two years in this plan anyway.

Chairman Towe said if Rep. Hanson can back off the two issues it will break the impasse. Rep. Hanson said that is the basis of their caucus, that the small districts will be protected. He would tentatively agree that if a large amount of money is put into the large 10 or 15 schools, to the detriment of the others, he has no problem with going back to 1991. If that is a trade-off against the building reserve, he can raise this to his caucus. Chairman Towe said that is not a possibility.

Senator Towe said he thinks this Committee needs to focus on the large problems--the schools that need a new building or a new plant of some sort. The temporary authority we gave during the Special Session is going to expire. If we go into all the little areas, the little problems, most of which the school districts are covering very nicely with getting some money out of their GF to cover the problem, possibly by setting up a reserve to handle it on a little longer basis. He doesn't think we need to address that at this time.

Rep. Hanson withdrew his motion.

Chairman Towe presented Exhibit No. 3 to these minutes showing expenditures and revenue as of April 16, 1993. He said this should have all of the Senate amendments included in the figures. The staff-prepared Amendments by Senate Select Committee and Senate Floor (see copy attached to these minutes), was reviewed at this time in relationship to the funding figures in Exhibit No. 3.

ITEM #1: Required 3 years (not 5) to reach BASE budget level.

Chairman Towe asked if any action would make a financial impact on this item. Rep. Boharski said going to 5 years saved the State $3.5 million.

ITEM #2: Required voter approval to exceed the limitations below the 80% level, as just discussed.

Chairman Towe asked if there was a change on this item. Rep. Boharski said a motion was passed in the previous meeting that a district could not vote to go beyond the 4%. Curt Nichols, a member of the Governor's Budget office, said requiring a vote below the 80% budget level would save $1.6 million in the first year.

ITEM #3: Removed "optional" vote between BASE budget level and 90% level.

Chairman Towe said this item was not adopted.

ITEM #4: Froze district budget growth above maximum 100% level.

Chairman Towe said this has no impact.

ITEM #5: Voter approval for districts above maximum not required for first 2 years.

Chairman Towe said there is no impact.

ITEM #6: Added "weighted" GTB aid for GF budgets of eligible districts.

Chairman Towe said this is weighted GTB and there is no change; this is part of Item #7.

ITEM #7: Changed Stop/Loss on per-ANB entitlements.

Chairman Towe said there is no change, with no impact.

ITEM #8: Senate amendments resulted in state guaranteed tax base level of 191%.

Chairman Towe said this is still being discussed.

ITEM #9: Created parallel system for funding special education.

Chairman Towe said there is no change.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

Chairman Towe said this is not resolved yet.

ITEM #11: Based ANB Count on an average enrollment count.

Chairman Towe said this is already in the Bill and costs $5.8 million.

ITEM #12: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from new impact aid fund to general fund.

Chairman Towe asked the financial impact of this issue.

Rep. Boharski said transition language was supposed to save $3.6 million. Curt Nichols said this is a savings of $2.1 million.

ITEM #13: Removed House "Wanzenried" amendment.

Chairman Towe said there is no fiscal change on this item.

ITEM #14: Replaced monthly 8% SEA payment with 10% payment.

Chairman Towe said there is no fiscal impact.

ITEM #15: Allowed a school of a district more than 20 miles from another school in that district to receive separate basic entitlement.

Chairman Towe said there is no impact on this issue.

ITEM #16: Added interim study of non-levy revenue.

Chairman Towe said we added in the interim study which will cost $20,000.

ITEM #17: Appropriated $400,000 to OPI for Implementation.

Chairman Towe said there is no change.

ITEM #18: Provided moratorium on allowing a district to create a new school district out of the territory of an existing district.

Chairman Towe said there is no change.

ITEM #19: Required any OPI audit to be done by contract rather than Office of Legislative Auditor.

Chairman Towe said there is no financial impact. The $40,000 is a contingency only and he doesn't think it needs to be taken into consideration, and should be handled elsewhere.

ITEM #20: Act is void if SB 436 (the Realty Transfer Tax bill) is not passed and approved.

Chairman Towe said there is no financial impact.

MOTION:

Rep. Boharski moved to strip SB 436 language from this bill.

DISCUSSION:

Chairman Towe asked Rep. Boharski to hold this motion until later.

Rep. Boharski withdrew his motion.

ITEM #21: General Fund Appropriation.

Chairman Towe said this total will be determined later. The approximate figure is $14.255 million as HB 667 stands now.

Curt Nichols said there would be a small cost to the Gage amendment. Rep. Boharski and Senator Stang said there shouldn't be a cost because it is all above the 80% level. Mr. Nichols said he does not see it as being above the 80% level. He sees the districts with PL874 below the 80%. Chairman Towe said Mr. Nichols is right.

Rep. Boharski said his understanding of the intent of the Gage amendment was that the House transition language was adopted for budgeting purposes, but they would not receive GTB aid. Jim Gillett said the way the bill works right now, if the budget authority amount is less than the base budget amount, a district will get direct State aid and GTB support. If the $84,000 is less than the 80% line, a district will get GTB aid all the way through it.

Rep. Boharski said it was not the Committee's intent to get any subsidy. Chairman Towe said it would be fair to say the Committee did not understand this. He asked if this would be minimal. Mr. Gillett used the example of $21 million in actual PL874 receipts. Four percent on that is $800,000, which potentially is additional GF budget authority. Because of the transition language, assume that 75% is used below the 80% line, which is $600,000. The GTB aid on that is approximately $300,000. Chairman Towe said he thinks we are actually looking at less than $100,000. Mr. Gillett said if there is a budget of less than the 80% line, you are really altering the fundamental properties of the bill if you don't give GTB aid for it. If there is a budget less than that, and a portion doesn't have GTB aid even though the district might be eligible, that is a major departure from what is in the bill today, and has an affect on the equalization properties.

Rep. Boharski said if that is the case, the Gage amendment and the transition language are directly conflicting each other and the two are completely incompatible. Mr. Gillett said it is his understanding that the transition language would simply say you have a budget, you take it times 104%, then you subtract off the PL874 money and put it in the other fund, instead of having a budget, subtracting off the PL874 money, and then taking the 104%. Mr. Nichols said this is his interpretation of the Gage amendment. Chairman Towe said he thinks this is correct.

Chairman Towe said $14.255 million would be the total reduction from current school funding levels that we are dealing with as the bill stands. The problem is, we don't have enough money to fund it, even at that level. He explained the figures on Exhibit No. 3, saying the figures are current to the beginning of this meeting. The bottom line is there is a shortage of $14.94 million. The cash flow deficit is $38.336 million. Chairman Towe has been told there are outstanding accounts, including approximately $30 million from the Highway Department, that can be borrowed to make the cash flow work, if necessary.

Jim Gillett said these numbers are very preliminary because amendments passed will make a difference. OLA took the original version of the bill, converted the model to the 20% required growth, and put in the transition language on PL874 at both scenarios. In order to pull $15 million beyond that, we are looking at a guaranteed percentage of approximately 181%.

Chairman Towe distributed Exhibit No. 4 to these minutes, which is a SEA expenditure sheet from the LFA. He explained that the Legislative Action column, in K-12, the total is $817.73 million. What he is saying is that if everything works as he has explained, there will be another $14.94 million to put into the Foundation program, and that will put us at a level of $817.73 million total. It is his understanding from the Budget Office that the Governor's target figure is $810 million; we are $7 million from the target.

Rep. Boharski asked if Chairman Towe is suggesting we are working from the $832.67 million figure in K-12, and our actions at this point have brought us to $817.73 million. Chairman Towe said at this point we would have to subtract another $7 million to take into consideration the action that this Committee has taken.

Chairman Towe said he doesn't think we can do much at this point and cannot adopt any numbers, but it is helpful to know where we are. We will have to give staff time to go through everything the Committee has done, to make sure there is no clean-up necessary. He thinks there is some severability language we need to adopt. Ms. McClure said this is already done, but she needs the contingent termination language approved.

Ms. McClure distributed Exhibit No. 5 to these minutes. (HB066734.AEM)

MOTION:

Rep. Boharski moved to adopt the contingency language on PL874 appropriations, as shown in Exhibit No. 5. (HB066734.AEM)

DISCUSSION:

Ms. McClure explained the top amendment is Rep. Boharski's amendment subtracting off the PL874 funds. At the bottom, an amendment will be inserted in brackets in the bill in case the Department of Education does not agree with this, and it relates to subtracting out the PL874 money. This language indicates that OPI Superintendent Keenan will certify to the Governor that she got a letter from the Federal government regarding PL874 funds prior to the time the Legislature convenes in 1995. If the action taken in the bracketed language violates the Federal impact aid law and will cost money, then the language will be void and dropped from the bill. If that letter is not received, the language will stay in the bill.

Chairman Towe said, in effect, this means that if we speculate and lose, at least everything else does not fall. We would, in effect, be unfunded by about $3.5 million. Ms. McClure said OPI would then re-calculate their budgets. A severability clause normally put on a bill takes affect when there is Court action. What would happen is that if a school district got a letter, they might go to Court and ask for an injunction against the whole bill. After final determination, they would sever off the parts.

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote. (HB066734.AEM)

DISCUSSION:

Rep. Hanson presented an amendment as Exhibit No. 6 to these minutes. He said this was discussed in an earlier meeting. He explained that Page 6, Line 20, of the bill deals with transmitting data and information. His proposed amendment will add language at the end of Line 22. This proposed amendment was drafted by Greg Groepper.

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote.

MOTION:

Rep. Boharski moved to adopt the amendment to not allow growth beyond 4% the second year.

DISCUSSION:

Rep. Boharski said this would be 104% for each of the two years. Chairman Towe explained that any school district is locked into 104% unless there is a 20% cap. They cannot, under any circumstances, vote for a higher level. Rep. Boharski said this is his intent, and it is more liberal than current law.

Right now they only get the smaller 104%. We would be allowing 104% per ANB, and it doesn't require a vote.

Senator Stang asked if the only place we were saving money is below the 80% level. Rep. Boharski said it is all levels, for consistency.

Senator Stang said he thinks the Senate would resist this measure, and he doesn't think it is appropriate at this point in time.

VOTE:

The motion FAILED on oral vote with Representatives Boharski and Hanson voting "AYE".

DISCUSSION:

Rep. Boharski asked to discuss the Stop/Loss (the point at which the per-ANB amount is no longer reduced). The 1,000 and 800 Stop/Loss savings will be approximately $8.3 million. This is going to a Stop/Loss from 2,000 elementary/800 high school to 1,000 elementary/800 high school. Curt Nichols said going from 2,000 to 1,000 on the elementary was approximately a $5.5 million cost.

Chairman Towe asked if Mr. Nichols, Mr. Standaert, and Mr. Gillett could work out better totals on the figures the Committee was discussing under Item #21, and determine whether 181% is the correct percentage for the GTB guarantee level. They agreed to do this prior to the next meeting.

ADJOURNMENT

Adjournment: The meeting adjourned at 3:30 p.m.

TOM TOWE, Chair

BONNIE STARK, Secretary

TT/bjs

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-23-93 1:00 p.m.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

SEN. TAXATION Tax Reg. Cor.
EXHIBIT NO. 1
DATE 4-23-93 #
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Representative Hansen
For the Free Conference Committee on HB 667

Prepared by Andrea Merrill
April 23, 1993 (10:00 a.m.)

1. Title, page 3, line 4.
Following: "PROVIDING"
Insert: "STATE SUPPORT FOR A PORTION OF A SCHOOL FACILITY ENTITLEMENT PER ANB BASED ON A VARIATION OF"

2. Title, page 4, line 7.
Following: "ANB;"
Insert: "LIMITING STATE EQUALIZATION AID FOR SCHOOL FACILITY ENTITLEMENT TO $ 2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995;"

3. Page 84, line 20.
Following: "aid,"
Insert: "school facility entitlements,"

4. Page 85, line 7.
Following: "program,"
Insert: "school facility entitlements,"

5. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of guaranteed tax base aid for the debt service funds of districts, limiting the distribution of school facility entitlement amounts from the state equalization aid account to no more than $700,000 for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 39 and 40] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued after [the effective date of this section] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 39];

(b) based on the limitation of state equalization aid for debt service purposes in this subsection (2), determining the percentage of school facility entitlement revenue that each eligible district must receive for the school fiscal year;

(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection

(2) to be carried into the next school fiscal year for the purposes of this subsection (2)."
Renumber: subsequent subsections

6. Page 99, lines 20 and 21.
Strike: "DEBT" on line 20 through "SERVICE" on line 21
Insert: "school facility entitlement"

7. Page 100, line 9.
Strike: "DEBT SERVICE"
Insert: "school facility entitlement"

8. Page 103, lines 16 through 25.
Strike: subsection (4) in its entirety
Renumber: subsequent subsection

9. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) any school facility entitlement amount distributed to a qualified district under the provisions of 20-9-346, [section 39], and [section 40];"

10. Page 118, lines 16 through page 199, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. **Section 39. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "School facility entitlement amount" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b) has incurred bonded indebtedness in the debt service fund of the district after July 1, 1991;

(c) has established a building reserve fund prior to July 1, 1995.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. **Section 40. Calculation and uses of school facility entitlement amount.** (1) The school facility entitlement amount for a district is calculated in the following manner:

(a) the total school facility entitlement times (1-(district mill value per ANB/statewide mill value per ANB)) times any percentage of school facility entitlement amount calculated under the provisions of subsections (b) or (c);

(b) for the school fiscal year beginning July 1, 1993, the proration of $700,000 and the total statewide school facility entitlement obligation; and

(c) for the school fiscal year beginning July 1, 1994, the

Exhibit #1
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proration of $1,300,000 and the total statewide school facility entitlement obligation.

(2)(a) For the school fiscal years beginning July 1, 1993 and July 1, 1994, the trustees of a district may apply the school facility entitlement amount to reduce the levy requirement of the district debt service fund as provided for in 20-9-439; and

(b) For the school fiscal years beginning July 1, 1994 and July 1, 1995, the trustees of a district may also apply the school facility entitlement amount to reduce the levy requirement of the building reserve fund as provided for in 20-9-503."
Renumber: subsequent sections

11. Page 140, line 11.
Strike: "SECTION"
Insert: "Sections"
Following: "39"
Insert: "and 40"
Strike: "IS"
Insert: "are"

12. Page 140, line 13.
Strike: "SECTION"
Insert: "Sections"
Following: "39"
Insert: "and 40"

13. Page 141, lines 12 through 16.
Strike: subsection (4) in its entirety

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
AT THE REQUEST OF REPRESENTATIVE H. S. "SONNY" HANSON
HAN119.WK1
04/23/93
06:49 AM

ELEMENTARY COST PER SQUARE FOOT	$70
MIDDLE SCHOOL COST PER SQUARE FOOT	$80
HIGH SCHOOL COST PER SQUARE FOOT	$90
ELEMENTARY SQUARE FOOTAGE PER ANB	102.5
MIDDLE SCHOOL SQUARE FOOTAGE PER ANB	112.5
HIGH SCHOOL SQUARE FOOTAGE PER ANB	122.5
ESTIMATED BUILDING LIFE IN YEARS	50
REMODELING COSTS (PERCENT OF NEW COST)	50.00%
GTB LEVEL (PERCENT OF CURRENT)	100.00%
BENCHMARK SCHOOL SIZE (ANB)	400
COST OF BENCHMARK SCHOOL INCLUDING REMODELING:	
ELEMENTARY	$4,305,000
JUNIOR HIGH	$5,400,000
HIGH SCHOOL	$6,615,000
COST PER ANB PER YEAR:	
ELEMENTARY	$220
JUNIOR HIGH	$270
HIGH SCHOOL	$330
FY94 IMPLEMENTATION PERCENTAGE	15.00%
FY95 IMPLEMENTATION PERCENTAGE	15.00%
FY94 STATE COST	$991,739
FY95 STATE COST	$1,073,847
TOTAL BIENNIUM COST	$2,065,586
SB32 THIRD READING FISCAL NOTE	
FY94 SEA COST	$674,230
FY95 SEA COST	$1,375,068
TOTAL BIENNIUM COST	$2,049,298

Title Loc. Comm.
EXHIBIT NO. 2
DATE 4-23-93 #2
BILL NO. HB 667

CAPITOL OUTLAY/DEBT SERVICE ACCESS TO GTB ASSISTANCE ASSUMPTIONS

We made the following assumptions when analyzing and projecting eligibility and access to capital outlay/debt service GTB assistance.

1. FY 94 debt service budgets are the same as FY 93 debt service budgets.

2. FY 95 debt service budgets are the same as FY 94 debt service budgets except for those districts for which OPI has estimated additional debt service due to new issues of bonds.

3. Only those districts having a debt service budget in FY 94 and/or FY 95 will be eligible to access their capital outlay entitlement.

4. The amount of capital outlay entitlement a school district is eligible for is limited to the lesser of its entitlement or its debt service budget.

5. Guaranteed mill values per ANB are $17.98 for elementary districts and $45.80 for high school districts.

OFFICE OF THE LEGISLATIVE AUDITOR
CAPITAL OUTLAY FUNDING MODEL
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04/23/93
07:05 AM

COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
BEAVERHEAD	BEAVERHEAD CO HS	$981	$981
BEAVERHEAD	DILLON ELEM	$153	$153
BEAVERHEAD	GRANT ELEM	$0	$0
BEAVERHEAD	JACKSON ELEM	$0	$0
BEAVERHEAD	LIMA ELEM	$0	$0
BEAVERHEAD	LIMA H S	$0	$0
BEAVERHEAD	POLARIS ELEM	$0	$0
BEAVERHEAD	REICHLE ELEM	$0	$0
BEAVERHEAD	WISDOM ELEM	$0	$0
BEAVERHEAD	WISE RIVER ELEM	$0	$0
BIG HORN	COMMUNITY ELEM	$0	$0
BIG HORN	HARDIN ELEM	$788	$788
BIG HORN	HARDIN H S	$0	$0
BIG HORN	LODGE GRASS ELEM	$2,197	$2,197
BIG HORN	LODGE GRASS H S	$4,905	$5,085
BIG HORN	PLENTY COUPS HS	$0	$0
BIG HORN	PRYOR ELEM	$0	$0
BIG HORN	SQUIRREL CRK ELEM	$0	$0
BIG HORN	WYOLA ELEM	$0	$0
BLAINE	BEAR PAW ELEM	$0	$0
BLAINE	CHINOOK ELEM	$4,535	$4,599
BLAINE	CHINOOK H S	$0	$0
BLAINE	CLEVELAND ELEM	$0	$0
BLAINE	HARLEM ELEM	$149	$149
BLAINE	HARLEM H S	$301	$301
BLAINE	HAYS-LODGE POLE ELEM	$0	$0
BLAINE	HAYS-LODGE POLE H S	$0	$0
BLAINE	LLOYD ELEM	$0	$0
BLAINE	N HARLEM COLONY ELEM	$0	$0
BLAINE	TURNER ELEM	$0	$0
BLAINE	TURNER H S	$0	$0
BLAINE	ZURICH ELEM	$0	$0
BROADWATER	BROADWATER CO HS	$0	$0
BROADWATER	TOWNSEND ELEM	$0	$0
CARBON	BELFRY ELEM	$0	$0
CARBON	BELFRY H S	$0	$0
CARBON	BOYD ELEM	$0	$0
CARBON	BRIDGER ELEM	$0	$0
CARBON	BRIDGER H S	$0	$0
CARBON	EDGAR ELEM	$0	$0
CARBON	FROMBERG ELEM	$0	$0
CARBON	FROMBERG H S	$0	$0
CARBON	JACKSON ELEM	$0	$0
CARBON	JOLIET ELEM	$3,887	$3,941
CARBON	JOLIET H S	$0	$0
CARBON	LUTHER ELEM	$0	$0
CARBON	RED LODGE ELEM	$2,393	$2,393
CARBON	RED LODGE H S	$585	$585
CARBON	ROBERTS ELEM	$906	$916
CARBON	ROBERTS H S	$0	$0
CARTER	ALBION ELEM	$0	$0
CARTER	ALZADA ELEM	$0	$0
CARTER	CARTER CO H S	$0	$0

Exhibit #2
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CAPITAL OUTLAY FUNDING MODEL
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HAN119.WK1
04/23/93
07:05 AM

COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
CARTER	EKALAKA ELEM	$0	$0
CARTER	HAMMOND-HAWKS HOME	$0	$0
CARTER	JOHNSTON ELEM	$0	$0
CARTER	PINE HILL-PLAINVW EL	$0	$0
CARTER	RIDGE ELEM	$0	$0
CASCADE	BELT ELEM	$0	$0
CASCADE	BELT H S	$406	$406
CASCADE	CASCADE ELEM	$219	$219
CASCADE	CASCADE H S	$1,223	$1,270
CASCADE	CENTERVILLE EL	$1,838	$1,838
CASCADE	CENTERVILLE H S	$2,527	$2,628
CASCADE	DEEP CREEK ELEM	$0	$0
CASCADE	GREAT FALLS EL	$23,592	$23,592
CASCADE	GREAT FALLS H S	$24,522	$24,522
CASCADE	SIMMS H S	$2,401	$2,401
CASCADE	SUN RIVER VALLEY ELM	$1,469	$1,469
CASCADE	ULM ELEM	$0	$0
CASCADE	VAUGHN ELEM	$3,186	$3,186
CHOTEAU	BIG SANDY ELEM	$0	$0
CHOTEAU	BIG SANDY H S	$0	$0
CHOTEAU	CARTER ELEM	$0	$0
CHOTEAU	FT BENTON ELEM	$0	$0
CHOTEAU	FT BENTON H S	$0	$0
CHOTEAU	GERALDINE ELEM	$0	$0
CHOTEAU	GERALDINE H S	$0	$0
CHOTEAU	HIGHWOOD ELEM	$0	$0
CHOTEAU	HIGHWOOD H S	$0	$0
CHOTEAU	KNEES ELEM	$0	$0
CHOTEAU	LOMA ELEM	$0	$0
CHOTEAU	WARRICK ELEM	$0	$0
CUSTER	COTTONWOOD EL	$0	$0
CUSTER	CUSTER CO H S	$16,306	$16,890
CUSTER	HKT-BASIN SPR CRK EL	$0	$0
CUSTER	KINSEY ELEM	$0	$0
CUSTER	KIRCHER ELEM	$0	$0
CUSTER	MILES CITY ELEM	$21,251	$21,251
CUSTER	MOON CREEK EL	$0	$0
CUSTER	S H-FOSTER CRK ELEM	$0	$0
CUSTER	S Y ELEM	$0	$0
CUSTER	TRAIL CREEK EL	$0	$0
CUSTER	TWIN BUTTES EL	$0	$0
CUSTER	WHITNEY CRK EL	$0	$0
DANIELS	FLAXVILLE ELEM	$0	$0
DANIELS	FLAXVILLE H S	$0	$0
DANIELS	PEERLESS ELEM	$0	$0
DANIELS	PEERLESS H S	$0	$0
DANIELS	SCOBEY ELEM	$0	$0
DANIELS	SCOBEY H S	$0	$0
DAWSON	BLOOMFIELD ELEM	$0	$0
DAWSON	DAWSON CO H S	$0	$0
DAWSON	DEER CREEK ELEM	$0	$0
DAWSON	GLENDIVE ELEM	$10,608	$10,608
DAWSON	LINDSAY ELEM	$0	$0

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07:05 AM

COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
DAWSON	RICHEY ELEM	$0	$0
DAWSON	RICHEY H S	$0	$0
DEER LODGE	ANACONDA ELEM	$0	$0
DEER LODGE	ANACONDA H S	$0	$0
FALLON	BAKER ELEM	$69	$69
FALLON	BAKER H S	$11	$11
FALLON	FERTILE PRAIRIE EL	$0	$0
FALLON	PLEVNA ELEM	$0	$0
FALLON	PLEVNA H S	$0	$0
FERGUS	AYERS ELEM	$0	$0
FERGUS	COTTONWOOD ELEM	$0	$0
FERGUS	DEERFIELD ELEM	$0	$0
FERGUS	DENTON ELEM	$0	$0
FERGUS	DENTON H S	$0	$0
FERGUS	FERGUS H S	$9,081	$9,397
FERGUS	GRASS RANGE EL	$0	$0
FERGUS	GRASS RANGE H S	$41	$42
FERGUS	KING COLONY EL	$0	$0
FERGUS	LEWISTOWN ELEM	$0	$0
FERGUS	MAIDEN ELEM	$0	$0
FERGUS	MOORE ELEM	$0	$0
FERGUS	MOORE H S	$0	$0
FERGUS	ROY ELEM	$0	$0
FERGUS	ROY H S	$0	$0
FERGUS	SPRING CRK COLONY EL	$0	$0
FERGUS	WINIFRED ELEM	$0	$0
FERGUS	WINIFRED H S	$6	$6
FLATHEAD	BATAVIA ELEM	$289	$289
FLATHEAD	BIGFORK ELEM	$2,219	$2,256
FLATHEAD	BIGFORK H S	$1,378	$1,378
FLATHEAD	CAYUSE PRAIRIE ELEM	$0	$0
FLATHEAD	COLUMBIA FALLS ELEM	$0	$0
FLATHEAD	COLUMBIA FALLS H S	$0	$0
FLATHEAD	CRESTON ELEM	$359	$359
FLATHEAD	DEER PARK ELEM	$1,322	$1,322
FLATHEAD	EVERGREEN ELEM	$14,473	$14,666
FLATHEAD	FAIR-MONT-EGAN ELEM	$2,081	$2,081
FLATHEAD	FLATHEAD H S	$35,802	$35,802
FLATHEAD	HELENA FLATS EL	$615	$615
FLATHEAD	KALISPELL ELEM	$30,437	$30,437
FLATHEAD	KILA ELEM	$361	$361
FLATHEAD	MARION ELEM	$100	$100
FLATHEAD	OLNEY-BISSELL ELEM	$554	$566
FLATHEAD	PLEASANT VALLEY ELEM	$0	$0
FLATHEAD	SOMERS ELEM	$0	$0
FLATHEAD	SWAN RIVER EL	$185	$185
FLATHEAD	WEST GLACIER ELEM	$0	$0
FLATHEAD	WEST VALLEY EL	$5,347	$5,429
FLATHEAD	WHITEFISH ELEM	$8,047	$8,165
FLATHEAD	WHITEFISH H S	$4,999	$4,999
GALLATIN	AMSTERDAM ELEM	$0	$0
GALLATIN	ANDERSON ELEM	$2,890	$2,926
GALLATIN	BELGRADE ELEM	$24,146	$24,484

Fish Con. Comm.
Ex #2
4-23-93 #2
HB-667

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07:05 AM

COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
GALLATIN	BELGRADE H S	$9,117	$9,117
GALLATIN	BOZEMAN ELEM	$26,136	$26,526
GALLATIN	BOZEMAN H S	$3,720	$3,720
GALLATIN	COTTONWOOD EL	$0	$0
GALLATIN	GALLATIN GTWY ELEM	$532	$532
GALLATIN	LA MOTTE ELEM	$0	$0
GALLATIN	MALMBORG ELEM	$0	$0
GALLATIN	MANHATTAN ELEM	$8,077	$8,208
GALLATIN	MANHATTAN H S	$3,614	$3,752
GALLATIN	MONFORTON EL	$3,188	$3,234
GALLATIN	OPHIR ELEM	$0	$0
GALLATIN	PASS CREEK ELEM	$0	$0
GALLATIN	SPRINGHILL EL	$0	$0
GALLATIN	THREE FORKS EL	$0	$0
GALLATIN	THREE FORKS H S	$0	$0
GALLATIN	W YELLOWSTONE ELEM	$0	$0
GALLATIN	W YELLOWSTONE H S	$0	$0
GALLATIN	WILLOW CREEK EL	$0	$0
GALLATIN	WILLOW CREEK HS	$0	$0
GARFIELD	BENZIEN ELEM	$0	$0
GARFIELD	BIG DRY CREEK ELEM	$0	$0
GARFIELD	BLACKFOOT ELEM	$0	$0
GARFIELD	COHAGEN ELEM	$0	$0
GARFIELD	GARFIELD CO H S	$0	$0
GARFIELD	JORDAN ELEM	$0	$0
GARFIELD	KESTER ELEM	$0	$0
GARFIELD	PINE GROVE ELEM	$0	$0
GARFIELD	ROSS ELEM	$0	$0
GARFIELD	SAND SPRINGS EL	$0	$0
GARFIELD	VAN NORMAN ELEM	$0	$0
GLACIER	BROWNING ELEM	$41,385	$41,989
GLACIER	BROWNING H S	$0	$0
GLACIER	CUT BANK ELEM	$0	$0
GLACIER	CUT BANK H S	$0	$0
GLACIER	E GLACIER PARK ELEM	$0	$0
GLACIER	MOUNTAIN VIEW ELEMENTAF	$0	$0
GOLDEN VALLEY	LAVINA ELEM	$0	$0
GOLDEN VALLEY	LAVINA H S	$0	$0
GOLDEN VALLEY	RYEGATE ELEM	$0	$0
GOLDEN VALLEY	RYEGATE H S	$0	$0
GRANITE	DRUMMOND ELEM	$0	$0
GRANITE	DRUMMOND H S	$0	$0
GRANITE	GRANITE H S	$497	$515
GRANITE	HALL ELEM	$0	$0
GRANITE	PHILIPSBURG EL	$560	$566
HILL	BLUE SKY ELEM	$0	$0
HILL	BLUE SKY HIGH	$0	$0
HILL	BOX ELDER ELEM	$0	$0
HILL	BOX ELDER H S	$0	$0
HILL	COTTONWOOD ELEM	$0	$0
HILL	DAVEY ELEM	$0	$0
HILL	GILDFORD COLONY ELEM	$0	$0
HILL	HAVRE ELEM	$32,333	$32,801

OFFICE OF THE LEGISLATIVE AUDITOR
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COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
HILL	HAVRE H S	$506	$506
HILL	K-G ELEM	$0	$0
HILL	K-G HIGH SCHOOL	$0	$0
HILL	ROCKY BOY ELEM	$0	$0
HILL	ROCKY BOY H S	$0	$0
JEFFERSON	BASIN ELEM	$0	$0
JEFFERSON	BOULDER ELEM	$0	$0
JEFFERSON	CARDWELL ELEM	$0	$0
JEFFERSON	CLANCY ELEM	$0	$0
JEFFERSON	JEFFERSON H S	$0	$0
JEFFERSON	MONTANA CITY ELEM	$1,027	$1,043
JEFFERSON	WHITEHALL ELEM	$1,831	$6,737
JEFFERSON	WHITEHALL H S	$0	$0
JUDITH BASIN	GEYSER ELEM	$0	$0
JUDITH BASIN	GEYSER H S	$0	$0
JUDITH BASIN	HOBSON ELEM	$0	$0
JUDITH BASIN	HOBSON H S	$0	$0
JUDITH BASIN	RAYNESFORD ELEM	$0	$0
JUDITH BASIN	STANFORD ELEM	$0	$0
JUDITH BASIN	STANFORD H S	$0	$0
LAKE	ARLEE ELEM	$5,455	$5,455
LAKE	ARLEE H S	$4,761	$4,761
LAKE	CHARLO ELEM	$37	$37
LAKE	CHARLO H S	$944	$944
LAKE	POLSON ELEM	$8,412	$8,532
LAKE	POLSON H S	$0	$0
LAKE	RONAN ELEM	$10,090	$10,090
LAKE	RONAN H S	$0	$0
LAKE	ST IGNATIUS ELEM	$0	$0
LAKE	ST IGNATIUS H S	$1,273	$1,273
LAKE	SWAN LAKE-SALMON ELEM	$0	$0
LAKE	UPPER WEST SHORE ELEM	$0	$0
LAKE	VALLEY VIEW ELEM	$0	$0
LEWIS & CLARK	AUCHARD CRK ELEM	$0	$0
LEWIS & CLARK	AUGUSTA ELEM	$0	$0
LEWIS & CLARK	AUGUSTA H S	$0	$0
LEWIS & CLARK	CRAIG ELEM	$0	$0
LEWIS & CLARK	E HELENA ELEM	$19,144	$19,438
LEWIS & CLARK	HELENA ELEM	$60,976	$85,000
LEWIS & CLARK	HELENA H S	$20,996	$20,996
LEWIS & CLARK	KESSLER ELEM	$2,812	$2,812
LEWIS & CLARK	LINCOLN ELEM	$1,271	$1,271
LEWIS & CLARK	LINCOLN HIGH SCHOOL	$290	$297
LEWIS & CLARK	TRINITY ELEM	$0	$0
LEWIS & CLARK	WOLF CREEK ELEM	$0	$0
LIBERTY	CHESTER ELEM	$0	$0
LIBERTY	CHESTER H S	$0	$0
LIBERTY	J-I ELEM	$0	$0
LIBERTY	J-I HIGH SCHOOL	$0	$0
LIBERTY	LIBERTY ELEM SCHOOL	$0	$0
LIBERTY	WHITLASH ELEM	$0	$0
LINCOLN	EUREKA ELEM	$0	$0
LINCOLN	FORTINE ELEM	$0	$0

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LINCOLN	LIBBY ELEM	$0	$0
LINCOLN	LIBBY H S	$16,302	$16,888
LINCOLN	LINCOLN CO H S	$0	$0
LINCOLN	MCCORMICK ELEM	$0	$0
LINCOLN	SYLVANITE ELEM	$0	$0
LINCOLN	TREGO ELEM	$0	$0
LINCOLN	TROY ELEM	$2,506	$2,506
LINCOLN	TROY H S	$3,463	$3,581
LINCOLN	YAAK ELEM	$0	$0
MADISON	ALDER ELEM	$0	$0
MADISON	ENNIS ELEM	$0	$0
MADISON	ENNIS H S	$0	$0
MADISON	HARRISON ELEM	$0	$0
MADISON	HARRISON H S	$0	$0
MADISON	SHERIDAN ELEM	$205	$205
MADISON	SHERIDAN H S	$1,013	$1,013
MADISON	TWIN BRIDGES ELEM	$0	$0
MADISON	TWIN BRIDGES H S	$0	$0
MCCONE	CIRCLE ELEM	$0	$0
MCCONE	CIRCLE H S	$0	$0
MCCONE	PRAIRIE ELK ELEM	$0	$0
MCCONE	SOUTHVIEW ELEM	$0	$0
MCCONE	VIDA ELEM	$0	$0
MEAGHER	LENNEP ELEM	$0	$0
MEAGHER	RINGLING ELEM	$0	$0
MEAGHER	WHT SULPHUR SPGS ELEM	$0	$0
MEAGHER	WHT SULPHUR SPGS HS	$0	$0
MINERAL	ALBERTON ELEM	$0	$0
MINERAL	ALBERTON H S	$0	$0
MINERAL	ST REGIS ELEM	$0	$0
MINERAL	ST REGIS H S	$0	$0
MINERAL	SUPERIOR ELEM	$654	$3,447
MINERAL	SUPERIOR H S	$872	$872
MISSOULA	BONNER ELEM	$2,463	$2,495
MISSOULA	CLINTON ELEM	$426	$426
MISSOULA	DESMET SCHOOL	$0	$0
MISSOULA	FRENCHTOWN ELEM	$0	$0
MISSOULA	FRENCHTOWN H S	$0	$0
MISSOULA	HELLGATE ELEM	$11,238	$11,398
MISSOULA	LOLO ELEM	$4,876	$16,124
MISSOULA	MISSOULA ELEM	$48,861	$76,377
MISSOULA	MISSOULA H S	$35,370	$35,370
MISSOULA	POTOMAC ELEM	$0	$0
MISSOULA	SEELEY LAKE ELEM	$0	$0
MISSOULA	SUNSET ELEM	$0	$0
MISSOULA	SWAN VALLEY ELEM	$0	$0
MISSOULA	TARGET RANGE ELEM	$6,886	$6,977
MISSOULA	WOODMAN ELEM	$0	$0
MUSSELSHELL	MELSTONE ELEM	$0	$0
MUSSELSHELL	MELSTONE H S	$0	$0
MUSSELSHELL	MUSSELSHELL ELEM	$0	$0
MUSSELSHELL	ROUNDUP ELEM	$1,196	$1,196
MUSSELSHELL	ROUNDUP H S	$2,050	$2,050

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COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
PARK	ARROWHEAD ELEM	$0	$0
PARK	COOKE CITY ELEM	$0	$0
PARK	GARDINER ELEM	$0	$0
PARK	GARDINER H S	$0	$0
PARK	LIVINGSTON ELEM	$13,838	$14,033
PARK	PARK H S	$0	$0
PARK	PINE CREEK ELEM	$0	$0
PARK	RICHLAND ELEM	$0	$0
PARK	SPRINGDALE ELEM	$0	$0
PARK	SHIELDS VALLEY HIGH SCH	$10	$10
PARK	SHIELDS VLY ELEM SCH DIST	$0	$0
PETROLEUM	WINNETT ELEM	$0	$0
PETROLEUM	WINNETT H S	$0	$0
PHILLIPS	DODSON ELEM	$0	$0
PHILLIPS	DODSON H S	$0	$0
PHILLIPS	LANDUSKY ELEM	$0	$0
PHILLIPS	MALTA ELEM	$0	$0
PHILLIPS	MALTA H S	$34	$34
PHILLIPS	SACO ELEM	$0	$0
PHILLIPS	SACO H S	$0	$0
PHILLIPS	SECOND CRK ELEM	$0	$0
PHILLIPS	WHITEWATER ELEM	$0	$0
PHILLIPS	WHITEWATER H S	$0	$0
PONDERA	BRADY ELEM	$0	$0
PONDERA	BRADY H S	$0	$0
PONDERA	CONRAD ELEM	$2,029	$2,029
PONDERA	CONRAD H S	$323	$323
PONDERA	DUPUYER ELEM	$0	$0
PONDERA	HEART BUTTE	$0	$0
PONDERA	HEART BUTTE ELEM	$0	$0
PONDERA	MIAMI ELEM	$0	$0
PONDERA	VALIER ELEM	$0	$0
PONDERA	VALIER H S	$0	$0
POWDER RIVER	BELLE CREEK EL	$0	$0
POWDER RIVER	BIDDLE ELEM	$0	$0
POWDER RIVER	BILLUP ELEM	$0	$0
POWDER RIVER	BROADUS ELEM	$15	$15
POWDER RIVER	HORKAN CRK ELEM	$0	$0
POWDER RIVER	POWDER RVR CO DIST HS	$0	$0
POWDER RIVER	SO STACEY ELEM	$0	$0
POWELL	AVON ELEM	$0	$0
POWELL	DEER LODGE ELEM	$9,635	$9,635
POWELL	ELLISTON ELEM	$0	$0
POWELL	GARRISON ELEM	$0	$0
POWELL	GOLD CREEK ELEM	$0	$0
POWELL	HELMVILLE ELEM	$0	$0
POWELL	OVANDO ELEM	$0	$0
POWELL	POWELL CO H S	$483	$483
PRAIRIE	TERRY ELEM	$0	$0
PRAIRIE	TERRY H S	$0	$0
RAVALLI	CORVALLIS ELEM	$0	$0
RAVALLI	CORVALLIS H S	$9,521	$9,636
RAVALLI	DARBY ELEM	$0	$0

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RAVALLI	DARBY H S	$3,349	$3,466
RAVALLI	FLORENCE-CARLTON ELEM	$0	$0
RAVALLI	FLORENCE-CARLTON HS	$4,814	$4,977
RAVALLI	HAMILTON ELEM	$0	$0
RAVALLI	HAMILTON H S	$0	$0
RAVALLI	LONE ROCK ELEM	$2,754	$2,787
RAVALLI	STEVENSVILLE EL	$9,032	$9,032
RAVALLI	STEVENSVILLE HS	$11,523	$11,909
RAVALLI	VICTOR ELEM	$0	$0
RAVALLI	VICTOR H S	$1,082	$1,121
RICHLAND	BRORSON ELEM	$0	$0
RICHLAND	FAIRVIEW ELEM	$6	$6
RICHLAND	FAIRVIEW H S	$1,262	$1,262
RICHLAND	LAMBERT ELEM	$0	$0
RICHLAND	LAMBERT H S	$5	$5
RICHLAND	RAU ELEM	$0	$0
RICHLAND	SAVAGE ELEM	$478	$478
RICHLAND	SAVAGE H S	$0	$0
RICHLAND	SIDNEY ELEM	$13,785	$13,785
RICHLAND	SIDNEY H S	$1,699	$1,699
ROOSEVELT	BAINVILLE ELEM	$0	$0
ROOSEVELT	BAINVILLE H S	$0	$0
ROOSEVELT	BROCKTON ELEM	$0	$0
ROOSEVELT	BROCKTON H S	$0	$0
ROOSEVELT	CULBERTSON ELEM	$0	$0
ROOSEVELT	CULBERTSON H S	$431	$445
ROOSEVELT	FROID ELEM	$0	$0
ROOSEVELT	FROID H S	$0	$0
ROOSEVELT	FRONTIER ELEM	$0	$0
ROOSEVELT	POPLAR ELEM	$0	$0
ROOSEVELT	POPLAR H S	$0	$0
ROOSEVELT	WOLF POINT ELEM	$0	$0
ROOSEVELT	WOLF POINT H S	$0	$0
ROSEBUD	ASHLAND ELEM	$0	$0
ROSEBUD	BIRNEY ELEM	$0	$0
ROSEBUD	COLSTRIP ELEM	$0	$0
ROSEBUD	COLSTRIP H S	$0	$0
ROSEBUD	FORSYTH ELEM	$1,190	$1,190
ROSEBUD	FORSYTH H S	$1,030	$1,030
ROSEBUD	LAME DEER ELEM	$0	$0
ROSEBUD	ROCK SPRING ELEM	$0	$0
ROSEBUD	ROSEBUD ELEM	$0	$0
ROSEBUD	ROSEBUD H S	$0	$0
SANDERS	CAMAS PRAIRIE ELEM	$0	$0
SANDERS	DIXON ELEM	$0	$0
SANDERS	HOT SPRINGS ELEM	$1,896	$1,896
SANDERS	HOT SPRINGS H S	$1,470	$1,529
SANDERS	NOXON ELEM	$0	$0
SANDERS	NOXON H S	$0	$0
SANDERS	PARADISE ELEM	$0	$0
SANDERS	PLAINS ELEM	$779	$779
SANDERS	PLAINS H S	$835	$835
SANDERS	THOMPSON FALLS ELEM	$0	$0

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COUNTY	DISTRICT	FY94 CAPITAL OUTLAY GTB SUBSIDY	FY95 CAPITAL OUTLAY GTB SUBSIDY
SANDERS	THOMPSON FALLS H S	$0	$0
SANDERS	TROUT CRK ELEM	$0	$0
SHERIDAN	HIAWATHA ELEM	$0	$0
SHERIDAN	MEDICINE LK EL	$0	$0
SHERIDAN	MEDICINE LK H S	$0	$0
SHERIDAN	OUTLOOK ELEM	$0	$0
SHERIDAN	OUTLOOK H S	$0	$0
SHERIDAN	PLENTYWOOD ELEM	$1,742	$1,742
SHERIDAN	PLENTYWOOD H S	$2,600	$2,606
SHERIDAN	WESTBY ELEM	$0	$0
SHERIDAN	WESTBY H S	$0	$0
SILVER BOW	BUTTE ELEM	$0	$0
SILVER BOW	BUTTE H S	$21,982	$22,757
SILVER BOW	DIVIDE ELEM	$0	$0
SILVER BOW	MELROSE ELEM	$0	$0
SILVER BOW	RAMSAY ELEM	$0	$0
STILLWATER	ABSAROKEE ELEM	$0	$0
STILLWATER	ABSAROKEE H S	$0	$0
STILLWATER	COLUMBUS ELEM	$2,909	$2,909
STILLWATER	COLUMBUS H S	$949	$949
STILLWATER	FISHTAIL ELEM	$0	$0
STILLWATER	MOLT ELEM	$0	$0
STILLWATER	NYE ELEM	$0	$0
STILLWATER	PARK CITY ELEM	$1,892	$1,892
STILLWATER	PARK CITY H S	$2,865	$2,865
STILLWATER	RAPELJE ELEM	$0	$0
STILLWATER	RAPELJE H S	$0	$0
STILLWATER	REEDPOINT ELEM	$0	$0
STILLWATER	REEDPOINT H S	$0	$0
SWEET GRASS	BIG TIMBER ELEM	$291	$291
SWEET GRASS	BRIDGE ELEM	$0	$0
SWEET GRASS	GREYCLIFF ELEM	$0	$0
SWEET GRASS	MCLEOD ELEM	$0	$0
SWEET GRASS	MELVILLE ELEM	$0	$0
SWEET GRASS	SWEET GRASS CO HS	$1,225	$1,267
TETON	BYNUM ELEM	$53	$53
TETON	CHOTEAU ELEM	$0	$0
TETON	CHOTEAU H S	$0	$0
TETON	DUTTON ELEM	$0	$0
TETON	DUTTON H S	$0	$0
TETON	FAIRFIELD ELEM	$3,911	$3,962
TETON	FAIRFIELD H S	$1,280	$2,705
TETON	GOLDEN RIDGE ELEM	$0	$0
TETON	GREENFIELD ELEM	$0	$0
TETON	PENDROY ELEM	$0	$0
TETON	POWER ELEM	$1,177	$1,187
TETON	POWER H S	$701	$715
TOOLE	GALATA ELEM	$0	$0
TOOLE	SHELBY ELEM	$0	$0
TOOLE	SHELBY H S	$0	$0
TOOLE	SUNBURST ELEM	$0	$0
TOOLE	SUNBURST H S	$0	$0
TREASURE	HYSHAM ELEM	$0	$0

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TREASURE	HYSHAM H S	$0	$0
VALLEY	FRAZER ELEM	$82	$82
VALLEY	FRAZER H S	$0	$0
VALLEY	FT PECK ELEM	$0	$0
VALLEY	GLASGOW ELEM	$0	$0
VALLEY	GLASGOW H S	$1,987	$1,987
VALLEY	HINSDALE ELEM	$0	$0
VALLEY	HINSDALE H S	$0	$0
VALLEY	LUSTRE ELEM	$0	$0
VALLEY	NASHUA ELEM	$0	$0
VALLEY	NASHUA H S	$0	$0
VALLEY	OPHEIM ELEM	$0	$0
VALLEY	OPHEIM H S	$0	$0
WHEATLAND	HARLOWTON ELEM	$0	$0
WHEATLAND	HARLOWTON H S	$0	$0
WHEATLAND	JUDITH GAP ELEM	$0	$0
WHEATLAND	JUDITH GAP H S	$0	$0
WHEATLAND	SHAWMUT ELEM	$0	$0
WHEATLAND	TWO DOT ELEM	$0	$0
WIBAUX	WIBAUX ELEM	$0	$0
WIBAUX	WIBAUX H S	$0	$0
YELLOWSTONE	BILLINGS ELEM	$69,256	$69,256
YELLOWSTONE	BILLINGS H S	$63,894	$66,105
YELLOWSTONE	BLUE CREEK ELEM	$52	$53
YELLOWSTONE	BROADVIEW ELEM	$0	$0
YELLOWSTONE	BROADVIEW H S	$0	$0
YELLOWSTONE	CANYON CRK ELEM	$3,693	$3,746
YELLOWSTONE	CUSTER ELEM	$0	$0
YELLOWSTONE	CUSTER H S	$0	$0
YELLOWSTONE	ELDER GROVE ELEM	$3,213	$3,279
YELLOWSTONE	ELYSIAN ELEM	$0	$0
YELLOWSTONE	HUNTLEY PROJ ELEM	$1,355	$1,355
YELLOWSTONE	HUNTLEY PROJ HS	$633	$633
YELLOWSTONE	INDEPENDENT ELEM	$2,168	$2,194
YELLOWSTONE	LAUREL ELEM	$6,243	$6,243
YELLOWSTONE	LAUREL H S	$6,482	$6,482
YELLOWSTONE	LOCKWOOD ELEM	$4,524	$4,524
YELLOWSTONE	MORIN ELEM	$0	$0
YELLOWSTONE	PIONEER ELEM	$0	$0
YELLOWSTONE	SHEPHERD ELEM	$2,001	$2,001
YELLOWSTONE	SHEPHERD H S	$5,773	$5,998
		$991,739	$1,073,847

Fish Wildl. & Parks Comm.
EXHIBIT NO. 3
DATE 4-23-93 - #2
BILL NO. HB 667

Thomas E. Towe
April 16, 1993

	EXPENDITURES (Cuts Below Current Level)		(In millions) Biennium
1)	HB 2 - General Appropriations (Net cuts)		~~$73.560~~ 72.160
2)	School Equalization Account (Net cuts)	15.0	+ 7.053
3)	Pay Plan - HB 198 (Increase)		~~-8.110~~ 5.910
4)	Miscellaneous Appropriations (From Red Sheet)	less 3.3 + 1.0 = +2.3	-4.657
5)	Long Range Building Program Appropriations (FY 93)		-0.605
6)	HB 3 - Supplementals (Increase from Gov.Bud.)		-7.321
7)	HB 1 - Feed Bill (Increase from Gov. Budget)		-.126
	Total under current level		$59.794

+1.4 ?
+ $147,000
+ 800,000 ?
HB 333 + ?
Task Fo.
+120
+33?
for Dc
(800K dr. license?)
+.9

	REVENUE (Increase from Current Level)	(In millions) Biennium
1)	HB 671 (Income and Corporate License Tax)	72.558
2)	Rail Car Tax - HB 640	10.008
3)	Timber Sales from State Lands - HB 652 (Net)	6.457
4)	Coal Board Funds - HB 350	3.300
5)	Bed Tax - HB 591	1.940
6)	Cash Payment to Medicaid - HB 309	2.457
7)	Other Revenue Bills - Net (From Red Sheet)	-10.376
8)	Cash Balance Adjustments (Coal Tax Accrual, SRS Unreconciled Account, Gaming Transfer)	3.157
9)	Fire Reimbursement (In HJR 3)	0.441
10)	TRANS (Not yet in HJR 3)	4.000
11)	Adjustment to Revenue Estimates (T. Johnson)	19.293
	Total Revenue	$113.235

FUND BALANCE

	Millions of Dollars	
Total Revenue	113.235	
Plus Net Expenditure Cuts	+ 59.794	+.9
Total Funds	$173.029	+.9
Fund Balance Deficit	- 168.869	+.9
Ending Fund Balance	$ 4.160	+.9
Minimum Ending Fund Balance Needed	- 20.000	0
Shortage	-$15.840	+.9
	- 14.940	

CASH FLOW

	Millions of Dollars	
Total Cash Available (from above)	$173.029	+.9
Clark Fork Damage Claim	+ 5.175	
Projected Cash Balance	178.204	+.9
Projected Cash Deficit	-215.640	
Cash Flow Deficit	-$37.436	+.9

EXHIBIT NO. 4
DATE 4-23-93 #2
BILL NO. HB 667

HR 2 TARGET COMPARISONS*
General Fund and SEA Expenditures, 1995 Biennium
(Millions)

	Revised Target**	Legislative Action	Including Action Difference Contingent on Bills***		Difference
House Bill 2					
General Govt. and Transportation	$109.142	$111.508	$2.366	$112.202	$3.060
Human Services	314.011	324.545	10.534	326.479	12.468
Natural Resources	39.556	29.194	(10.362)	34.166	(5.390)
Institutions	161.664	158.546	(3.118)	158.949	(2.715)
Education	322.259	323.550	1.291	324.482	2.223
Fiscal 1993 Supplementals	7.139	0.000	(7.139)	0.000	(7.139)
Unallocated	1.995	0.000	(1.995)	0.000	(1.995)
Reversions	0.000	(1.750)	(1.750)	(1.750)	(1.750)
Total House Bill 2	$955.766	$945.593	($10.173)	$954.528	($1.238)
K-12	$802.323	$832.670	$30.347	$844.827	$42.504
		14.940			
		$17.93			
All Other Statutory					
Personal Property Reimb(HB 196)	$39.846	$36.672	($3.174)	$36.672	($3.174)
Debt Service - Long Range	25.728	24.362	($1.366)	24.362	(1.366)
TRANS Interest	6.464	4.000	(2.464)	4.000	(2.464)
Retirement	7.814	7.814	0.000	7.814	0.000
Feed Bill	0.000	5.000	5.000	5.000	5.000
Total Other Statutory	$79.852	$77.848	($2.004)	$77.848	($2.004)
Other Appropriations	$0.000	$13.306	$13.306	$13.306	$13.306
Total	$1,837.941	$1,869.417	$31.476	$1,890.509	$52.568

* As reflected on LFA status sheet 4/16/93.
** Revised on 2/1/93 to include supplementals in excess of HB3 and HB 77 as introduced
*** Specific bills listed on subcommittee target sheets.

OBPP 810.0

EXHIBIT NO. 5
DATE 4-23-93 #2
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Conference Committee on House Bill 667

Prepared by Eddye McClure
April 20, 1993

1. Title, page 4, line 25.
Strike: "A"
Following: "TERMINATION"
Strike: "DATE"
Insert: "DATES"

2. Page 12, line 17.
Following: "(A)"
Strike: "If"
Insert: "[Except as provided in subsection (7), if]"

3. Page 12, lines 18 and 19.
Following: "beginning"
Strike: remainder of line 18 through "SECTION"
Insert: "[July 1, 1994,]"

4. Page 17, line 19.
Following: "(3)"
Strike: "WHENEVER"
Insert: "[Except as provided in subsection (7), whenever]"

5. Page 18, line 11.
Following: "(A)"
Strike: "IF"
Insert: "[Except as provided in subsection (7), if]"

6. Page 19, line 24.
Following: line 23
Insert: "[(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts.]"

7. Page 144, line 3.
Following: line 3
Insert: "NEW SECTON. **Section 63. Contigent termination.** The bracketed language in [section 3], relating to excluding Public Law 81-874 receipts, is void on the date that the superintendent of public instruction certifies to the governor that, prior to January 1, 1995, a letter has been received from the United States department of education declaring that, after analysis of [this act], the bracketed language in [section 3] violates the provisions of the federal impact aid laws and will result in the loss of federal impact aid funds."

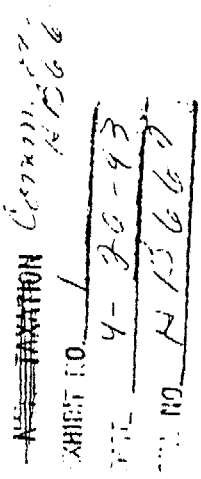
SUGGESTED LANGUAGE FOR REPRESENTATIVE HANSON

PAGE 6 AFTER LINE 22

insert: IN DEVELOPING THE REQUEST FOR PROPOSAL FOR SOFTWARE/ DATA PROCESSING DEVELOPMENT, THE OFFICE OF PUBLIC INSTRUCTION SHALL SOLICIT INPUT FROM SCHOOL OFFICIALS AND ORGANIZATIONS TO ACCOMPLISH THE INTENT OF THIS ACT.

Fed Conf. Comm
~~SENATE TAXATION~~
EXHIBIT NO. 6
DATE 4-23-93 #2
BILL NO. HB 667

HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR



1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191% (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON SENATE BILL 667

Call to Order: By Chairman Tom Towe, on April 23, 1993, at 7:00 p.m.

ROLL CALL

Members Present:
Senator Tom Towe, Chairman, Senator Barry "Spook" Stang, Senator Bob Brown, Rep. Bill Boharski, Rep. Ray Peck, Rep. H. S. "Sonny" Hanson.

Members Excused: None.

Members Absent: None.

Staff Present:
Andrea L. Merrill, Legislative Council
Eddye McClure, Legislative Council
Bonnie Stark, Committee Secretary

Discussion:

Chairman Towe opened the discussion by saying the Committee has acted on most of the items listed in the staff-prepared Amendments by the Senate Select Committee and Amendments made on the Senate Floor. (See Exhibit No. 1 to 4/20/93 meeting; a copy is attached to these minutes.)

ITEM #8: Senate amendments resulting in state guaranteed tax base level of 191%.

Chairman Towe asked Curt Nichols, a member of the Governor's Budget office, for the GTB percentages if $7 million or $8 million in cuts were to be made. Mr. Nichols said at $7.10 million, the Guaranteed Tax Base (GTB) level is 173%, and at $8.18 million, it is $180%.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

Exhibit No. 1 to these minutes was presented by Andrea Merrill, Legislative Council Staff. These proposed amendments were prepared at the request of Representative Hanson and have been discussed in previous meetings. (HB66761.aam) Ms. Merrill said the language on the Gage amendment and the transition language has been satisfactorily reworded.

ITEM #12: Allowed districts receiving Public Law 81-874 (PL874) Funds to transfer from new impact aid fund to general fund.

Jim Gillett, Office of the Legislative Auditor (OLA), addressed Exhibit No. 2 to these minutes (HB066722.aam). He said the Public Law 81-874 (PL874) amendment includes the Gage amendment and uses actual PL874 receipts rather than the reappropriated and anticipated receipts. The difference between the amendment and the way the numbers were run, is they only had an actual PL874 receipt figure for FY '92. This amount may differ slightly for FY '93.

Chairman Towe said the language on Exhibit No. 2 is language that has already been voted on.

Chairman Towe asked if there are any other items to be taken care of, such as a severability clause. Ms. McClure said there is a severability clause in the bill which was added as a matter of standard procedure. She explained this clause is added to many bills. It, in essence, says if an issue goes to Court, the rest of the bill can at least go forward.

Ms. Merrill discussed the technical amendments that have been added to HB 667.

MOTION:

Senator Stang moved to adopt the technical amendments that have no substantive changes but are necessary to put the bill in proper form, to adopt the severability clause, and to adopt an appropriation clause that will include the proper amounts after the dollar amounts are determined, and coordination instructions with every related bill that passes this Session.

DISCUSSION:

Ms. McClure said there will be an amendment that refers to an appropriation to SEA to coordinate with the Grosfield bill, if they both pass, etc. Ms. McClure said there are five sections in HB 667 that are also in SB 235, the sales tax bill. If both these bills pass, the coordination instructions will fit the two bills together.

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote. (HB066722.aam)

ITEM #21: General Fund Appropriation.

Chairman Towe asked Jim Standaert, Office of the Legislative Fiscal Analyst (LFA), to explain Exhibit No. 3 to these minutes. Mr. Standaert referred to the revenue changes/disbursement changes side of the document. LFA has kept SB 32 separate from HB 667 on this exhibit, even though SB 32 is now incorporated

into HB 667. The disbursements column shows HB 667 as a $26.386 million decrease over current state aid for schools, less $2.049 million cost of equalizing school facilities, equals a net loss of $24.337 million. This is figured at 180% GTB. This is targeting $817 million in SEA direct and State GTB money. Curt Nichols' number would be between approximately $7 million and $8 million higher.

Theresa Cohea, Legislative Fiscal Analyst, explained that essentially, the State will lose $132.257 million of the current law revenue in FY '95 from the SEA under SB 378. This is the amount that would normally flow into the SEA fund and under SB 378 will now go to the General Fund. Chairman Towe asked if the amount we need to appropriate in HB 667 is $134.214 million. Mr. Standaert said this is correct.

Chairman Towe asked for an explanation of the Ending Fund Balance on Exhibit No. 3 of $9.957 million. Is this the normal ending fund balance that is on the total GF? Ms. Cohea said it was not, that this is a separate ending fund balance for the SEA account. Historically, a balance has not been left in the SEA account, it has been left in the GF. This is a policy decision for the Legislature.

ITEM #10: Amended Senate version of SB 32 (GTB aid for debt service fund).

MOTION:

Rep. Boharski moved adoption of the amendments listed on Exhibit No. 1, but on Page 2, amendment number 10(2)(b), strike "after July 1, 1991", and on Page 1, 5(2)(a) delete the references to the effective date, and Page 2, Section 40, the building reserves, will be left in the bill.

DISCUSSION:

Senator Stang asked if this is going all the way back to pick up all existing capital debt service. Also, the building reserve will be left in. His caucus would rather see the effective date start July 1, 1991, and they did not want the building reserve accounts in the bill at this time. They were very adamant about that.

Chairman Towe said in the interest of trying to accommodate, his caucus will go along with the formula. However, this takes out the subjectivity of the approval by the Superintendent and the Board of Education. It does some other things in terms of equality on the basis of numbers of students. They are asking Rep. Boharski to give up on putting in the building reserve after July 1, 1995. The next Legislative Session can address that problem at that time. Using the effective date as of July 1, 1991, which is approximately the date of the Court decision, it will give those school districts who need some help a little bit

more than just a token.

Senator Stang asked if the Auditor's office had time to prepare the schedules from 1991 forward. Mr. Gillett said this information was being prepared by Madalyn Quinlan, OPI. Ms. Quinlan said she does not have a handout because they did not have the actual debt service payments on bonds that have been recently issued because they are not showing on the budget system yet. She said that if only bonds issued since July 1, 1991, are covered, we are looking at being able to cover about 60% of the per-student GTB subsidy that districts would be eligible for. If the decision is made to go back and cover all bonds, each district will be covered at about 15% of their GTB eligibility.

Senator Stang said it seems fairer to those schools who may have paid off their bonds and don't have any bonds right now, to start at the date of the lawsuit so that some of those that may have levied bonds five years later aren't receiving some benefits for something that other people have already paid off. He is willing to move that date back to 1991, the date of the lawsuit.

Rep. Peck said the passage of HB 667 is in danger if they don't give in on the date issue.

SUBSTITUTE MOTION:

Senator Stang offered a substitute motion to move the date on Page 1, 5(2)(a) to July 1, 1991, and leave the building reserve at the 1995 date.

DISCUSSION:

Senator Stang asked if Rep. Hanson could agree with this amendment, to start with bond indebtedness as of 1991, rather than going all the way retrospective. Senator Stang's caucus may be willing to give up the building reserve account for the 1991 date.

Rep. Hanson asked if the July, 1991, date is when the Court case was solved. Chairman Towe said that is the end of the fiscal year closest to when the Court decision came down. Pat Melby, Underfunded Schools Coalition, said the Court made a separate ruling on capital outlay and that was the effective date of the ruling, after July 1, 1991.

Rep. Hanson asked when the case was filed. Mr. Melby said it was filed in April of 1986, and the original Supreme Court decision came down in February of 1989. Rep. Hanson suggested a compromise to only going back to 1986 when it was filed. Chairman Towe said we have a date established by the Court of July, 1991, as an effective date to operate from because any bonds that are sold after that date were in jeopardy; any bonds sold before that date have already been judicially approved as valid. There is no reason to go back further than 1991.

Senator Brown said when this was studied in the Interim Committee, too, it was on the assumption that we would have $7 million or $8 million to put in it. A lot of things have changed since then.

Chairman Towe asked Senator Blaylock if he wanted to add any comments. Senator Blaylock said Senator Brown has stated it correctly. The Interim Committee did consider this and they would very much like to have covered all debt service but there is not enough money. He would like to keep SB 32 so that what is done will have some significance for those people who will be building in the future. If we spread it out too thin, it essentially will be meaningless. Chairman Towe asked what Senator Blaylock thinks of Senator Stang's proposal to yield on the building reserve and use the July, 1991, date. Senator Blaylock said for purposes of getting this bill through and coming to a compromise, he would support Senator Stang's substitute motion.

Senator Brown said this bill has to pass and if this Committee can't come to an agreement, the President and the Speaker will have to reconstitute the Committee tomorrow morning so they can get a committee that can do the public's business and the legislature can adjourn. This is a test of wills. Most other legislators here don't care that much about this issue. However, it is important, it involves money, and there are different rationales on how to approach fairness. We have to come to a conclusion here.

Chairman Towe said he knows Rep. Boharski feels strongly that the money should be distributed around to all the districts but those schools who passed bond issues and built buildings prior to July 1, 1991, had no expectation whatsoever that they would ever receive any assistance or benefit from the State as a result of this on their debt service retirement.

Rep. Hanson said he thinks a school district that was part of the equalization lawsuit that filed for in 1986 might think they are entitled to something down the road and they could participate in these funds because they felt wronged.

Senator Stang said he would like to have a vote on his substitute motion. He hates to see another conference committee come in and go through this because they will have to re-visit everything that is in here. Other than this part, the Committee feels comfortable with what has been done on the bill.

Senator Brown asked if the presumption is that we would adopt the rest of the amendment if this substitute amendment passes. Chairman Towe said that is correct.

VOTE:

The substitute motion FAILED (See Roll Call Vote #1).

DISCUSSION:

Senator Stang said he thinks we should adjourn and go to our caucuses to talk about the offer made by Rep. Boharski, come in first thing in the morning to vote. If we can't agree on it, go to the Speaker and the President and tell them to start over.

House Speaker John Mercer urged this Committee to try to wrap up this issue tonight. He suggested recessing for a short while and trying to get the caucuses to meet for a few minutes to work out the differences. This Committee is in the best position to solve this issue and he hopes it can be done yet tonight.

Chairman Towe called a recess. The meeting reconvened at 8:30 p.m.

MOTION:

Rep. Boharski moved that we adopt the amendments as presented except for the changes that for the 1995 biennium, we will fund only new bonds issued after July 1, 1991, and effective July 1, 1995, this would apply to all existing bond indebtedness, and that we strike (b) in New Section 40, basically eliminating the building reserve.

DISCUSSION:

Chairman Towe explained the motion, that we are leaving the July 1, 1991, date in the bill (Page 2, 10(2)(b); in addition, striking New Section 40 (2)(b) in its entirety; and adding a new sentence, which will be a new 10(4), Page 2, that will say that "after July 1, 1995, the provision limiting the bonds to July 1, 1991, will no longer have any effect and the funding will apply to all outstanding indebtedness as of that time".

Ms. McClure asked if she understands the motion and that Rep. Boharski intends to terminate the July 1, 1991, date at some point. Chairman Towe explained that as of July 1, 1995, the retroactive date of July 1, 1991, is eliminated and we go retroactive to all indebtedness outstanding as of that date. Rep. Boharski said this is correct.

Senator Stang said instructions need to be clear to the staff that it starts in 1991, and in 1995 it goes retrospective. He also said to strike all references to building reserve accounts.

VOTE:

The substitute motion CARRIED UNANIMOUSLY on oral vote.

MOTION:

Senator Brown moved that the staff draft HB 667 amendments to satisfy Item #8 (re State GTB level) by inserting a number to be determined by Committee members following caucuses the following day, and Item #20 by eliminating the references to voiding this Act if SB 436 is not passed and approved.]

VOTE:

The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Senator Brown distributed Exhibit No. 4 to these minutes. What he proposes to do is to amend this bill to require that the State would use, from potential sales tax revenue, enough money to increase public school funding at the rate of 4% per year. What that would do is virtually guarantee, unless we had run-away inflation, that we would be able to keep the schools in the 100% to 80% band, and we would be able to maintain the obligation. He thinks we are going to have to do this from some source of revenue if we are going to keep out of Court. If the Committee wants to discuss this, or lower the percentage, or use a different percentage, he would be amenable to that.

MOTION:

Senator Brown moved to amend HB 667 to require that the State would use, from sales tax revenue, enough money to increase public school funding at the rate of 4% per year from the time of the enactment of the sales tax into the future.

DISCUSSION:

Senator Stang said he opposes this motion because he doesn't like tying the sales tax to anything. First, we are using this as a way to sell the sales tax. He thinks the sales tax needs to live or die on its own, he doesn't think it needs to be tied to education or anything else. We are promising the schools something we may not be able to deliver. When we originally discussed this in the Select Committee, they defeated the motion, and defeated the notion of COLAs. In effect, when you put this amendment on the bill, you are putting a COLA on the bill of 4% a year.

Chairman Towe added his concern about the percentage. Senator Brown said he is flexible on the 4%, but if there isn't something done that is approximately 4%, that you will have the same problem that we have had that has forced us into Court

before. Chairman Towe said he has difficulty inasmuch as we don't know what that might be; it might be 6%, it might be 2%.

Rep. Peck said this looks like a statutory appropriation and he doesn't think that is the way to go to set aside anymore than we have already set aside under statutory appropriations. We are one of the leading states in the nation in that respect. He is opposed to this motion.

Rep. Boharski said his concern is that we should not set up the next legislature for any more funding than we have already set up. We would be mortgaging the future; this is dangerous and he is against it.

Senator Brown said he thinks something on the order of this has to be done or we are not going to have the new system we have created and it won't be much better than the system it has replaced if we don't fund it properly. He is afraid what may happen, unless there is some provision like this in the law, is that future legislatures may do what past legislatures have done, and that is to take the easy way out in regard to the public schools because they think they can count on local property taxpayers to make up the difference. He would rather have public schools more dependent on an equalized source of funding, such as from a sales tax. We never seem to be able to arrive at complete equality, in spite of how hard we try, because of the variance in the value of a mill and the various school districts around the school, etc. He thinks property tax is the wrong foundation for the Foundation Program.

VOTE:

The motion FAILED on oral vote with Senator Brown voting "AYE".

MOTION/VOTE:

Senator Brown moved that the Conference Report on HB 667 be adopted. The motion CARRIED UNANIMOUSLY on oral vote. (901925CC.Sma)

ADJOURNMENT

Adjournment: The meeting adjourned at 8:40 p.m.

Thomas E. Towe

TOM TOWE, Chair

Bonnie Stark

BONNIE STARK, Secretary

TT/bjs

930423-3.667

ROLL CALL

(FREE) CONFERENCE COMMITTEE

ON HOUSE / SENATE BILL # HB667

DATE 4-23-93 #3
7:00 p.m.

NAME	PRESENT	ABSENT	EXCUSED
Sen. Towe	✓		
Sen. Stang	✓		
Sen. Brown	✓		
Rep. Boharski	✓		
Rep. Peck	✓		
Rep. S. Hanson	✓		

ROLL CALL VOTE #1

(FREE) CONFERENCE COMMITTEE > BILL NO. HB667

DATE 4-23-93 TIME 7:00 A.M. (P.M.)

NAME	YES	NO
Sen. Towe	✓	
Sen. Stang	✓	
Sen. Brown	✓	
Rep. Boharski		✓
Rep. Peck	✓	
Rep. S. Hanson		✓

Bonnie Stark
SECRETARY

Tom Towe
CHAIR

MOTION: Stang's Do 1 Attach Motion.
Failed 2-4 Party Vote -

4-24 Conf. Comm.
SEN. TAXATION
EXHIBIT NO. 1
DATE 4-23-93 H.3
BILL NO. HB 667

Amendments to House Bill No. 667
Reference Reading Copy

Requested by Representative Hansen
For the Free Conference Committee on HB 667

Prepared by Andrea Merrill
April 23, 1993 much later

1. Title, page 3, line 4.
Following: "PROVIDING"
Insert: "STATE SUPPORT FOR A PORTION OF A SCHOOL FACILITY ENTITLEMENT PER ANB BASED ON A VARIATION OF"

2. Title, page 4, line 7.
Following: "ANB;"
Insert: "LIMITING STATE EQUALIZATION AID FOR SCHOOL FACILITY ENTITLEMENT TO $ 2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995;"

3. Page 84, line 20.
Following: "aid,"
Insert: "state reimbursement for school facilities,"

4. Page 85, line 7.
Following: "program,"
Insert: "state reimbursement for school facilities,"

5. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of state reimbursements for school facilities, limiting the distribution from the state equalization aid account to no more than $1 million for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 39 and 40] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued after [the effective date of this section] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 39];

(b) based on the limitation of state equalization aid available for debt service purposes in this subsection, determining the percentage of state equalization aid that each eligible district must receive for the school fiscal year;

(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2)."
Renumber: subsequent subsections

6. Page 99, lines 20 and 21.
Strike: "DEBT" on line 20 through "SERVICE" on line 21
Insert: "school facility entitlement"

7. Page 100, line 9.
Strike: "DEBT SERVICE"
Insert: "school facility entitlement"

8. Page 103, lines 16 through 25.
Strike: subsection (4) in its entirety
Renumber: subsequent subsection

9. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) any state reimbursement for school facilities distributed to a qualified district under the provisions of 20-9-346, [section 39], and [section 40];"

10. Page 118, lines 16 through page 199, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. **Section 39. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "State reimbursement for school facilities" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b) has outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. **Section 40. Calculation and uses of school facility entitlement amount.** (1) The state reimburement for school facilities for a district is the percentage determined in 20-9-346(2)(b) times (1-(district mill value per ANB/statewide mill value per ANB)) times the lesser of the total school facility entitlement calculated under the provisions of [section 39] or the district's current year debt service budget.

(2)(a) For the school fiscal years beginning July 1, 1993 and July 1, 1994, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement of the district debt service fund as provided for in 20-9-439; and

(b) For the school fiscal years beginning July 1, 1995 and July 1, 1996, the trustees of a district may also apply the state reimbursement for school facilities to reduce the levy requirement of the building reserve fund as provided for in 20-9-503."
Renumber: subsequent sections

Free Conf. Com
4-23 93 #3
Exhibit #1
HB-667

11. Page 140, line 11.
Strike: "SECTION"
Insert: "Sections"
Following: "39"
Insert: "and 40"
Strike: "IS"
Insert: "are"

12. Page 140, line 13.
Strike: "SECTION"
Insert: "Sections"
Following: "39"
Insert: "and 40"

13. Page 141, lines 12 through 16.
Strike: subsection (4) in its entirety

T-20 Conf. Comm.
SENATE TAXATION
EXHIBIT NO. 2
DATE 4-23-93 #3
BILL NO. HB-667

155. Page 19, line 24.
Following: line 24
Insert: "(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts received in the school fiscal year ending June 30, 1993. Before excluding any Public Law 81-874 funding, a district may increase the district general fund budget for the school fiscal year ending June 30, 1993 by the allowable increases in subsection (2) and (3)."

1109

Office of Legislative Fiscal Analyst
School Equalization Account
General Fund Appropriation Calculations

	1994-95 Biennium
Beginning Fund Balance	$2.162
Receipts	
Estimated Receipts	792.335
Revenue Changes (See Attached)	32.699
Total Available	$827.196
Disbursements	
Current Level Schedules	731.125
Guaranteed Tax Base	100.770
Transportation Costs	7.828
Disbursement Changes (See Attached)	(22.484)
Anticipated Disbursements	$817.239
Adjustments	0.000
Residual Equity Transfer	0.000
Ending Fund Balance	$9.957
General Fund Appropriation Without Passage of SB0378	$0.000
Impact of SB0378 (Income,Corporation,Coal Interest from HJR 3)	(132.257)
Impact of SB0378 (Income,Corporation,Coal Interest from Other Bills)	(11.914)
General Fund Appropriation With Passage of SB0378	($134.214)

Free Conf. Comm.
~~SEN. TAXATION~~
EXHIBIT NO. 3
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BILL NO. HB667

Office of Legislative Fiscal Analyst
School Equalization Account
General Fund Appropriation Calculations

Revenue Changes

		1994-95 Biennium
HB0196	Cap The Amount Of Reimbursement Paid To Eligible Taxing Jurisdictions	(1.214)
HB0219	Tax Credit For Alternative Fuels—Vehicle Conversion	(0.168)
HB0219	Tax Credit For Alternative Fuels—Vehicle Conversion	(0.129)
HB0350	Revise Coal Board Grant And Loan Program	3.300
HB0382	Establish Value Of Limestone For Net Proceeds Taxes And Ritt	(0.552)
HB0394	Revising The Montana Science & Technology Financing Act	(0.172)
HB0401	A Loan Appropriation For The Clark Fork Natural Resource Damage Claim	(0.104)
HB0469	Revise Tuition Laws; Criteria For Child To Attend School In Another District	1.000
HB0505	Allow Income Tax Deduction For Day-Care Operator Who Cares For Own Child	(0.004)
HB0616	Mhd Loan From Clean Coal Technology Demonstration Fund	(0.120)
HB0643	Land Parcel >= 20 Acres Must Be Mainly For Agriculture To Be In Ag Tax Class	0.586
HB0652	Allocate Amount Of Income From State Land Timber Sales To Dsl Timber Program	(0.534)
HB0652	Allocate Amount Of Income From State Land Timber Sales To Dsl Timber Program	0.000
HB0652	Allocate Amount Of Income From State Land Timber Sales To Dsl Timber Program	0.000
HB0667	Improving Equity By Restructuring The Fund And Budgeting For Schools	7.082
HB0667	Improving Equity By Restructuring The Fund And Budgeting For Schools	(0.625)
HB0671	Bipartisan Revision Of Income Taxes And Corporation Taxes	21.021
HB0671	Bipartisan Revision Of Income Taxes And Corporation Taxes	1.839
SB0168	Revising The Valuation And Taxation Of Agricultural Lands	1.431
SB0428	Providing That Certain Lottery Winnings Are Subject To State Withholding Tax	0.062
		$32.699

Disbursement Changes

		1994-95 Biennium
HB0002	General Appropriations Act	(0.400)
HB0202	Generally Revise Laws Related To School District Accounting Procedures	(0.135)
HB0652	Allocate Amount Of Income From State Land Timber Sales To Dsl Timber Program	(1.000)
HB0667	Improving Equity By Restructuring The Fund And Budgeting For Schools	26.386
SB0032	Equalizing School District Facility Funding With Guaranteed Tax Base Aid	(2.049)
SB0138	Clarify That Local Gov Severance Tax Was Enacted To Replace Prop Tax Levies	0.182
SB0278	Revise Laws Related To Education Services In Children'S Treatment Facilities	(0.500)
SB0348	Revise Special Education Fund Distribution	0.000
		$22.484

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~~COMM.~~ TAXATION
EXHIBIT NO. 4
DATE 4-23-93 #3
BILL NO. HB 667

Amendments to House Bill No. 667
3rd Reading Copy

Requested by Subcommittee
For the Committee on Education

Prepared by Andrea Merrill
April 12, 1993

1. Title, page 3, line 8.
Following: "GRANT;"
Insert: "INCREASING THE BASIC ENTITLEMENT AND PER-ANB ENTITLEMENT FOR DISTRICTS BY 4 PERCENT EACH SCHOOL FISCAL YEAR, CONTINGENT ON PASSAGE AND VOTER APPROVAL OF LEGISLATION PROVIDING FOR A SALES TAX;"

2. Page 91, line 9.
Following: line 8
Insert: "NEW SECTION. **Section 43. Coordination.** (1) If [this act] and Senate Bill No. 235 are both passed and approved, [Section 71] of Senate Bill No. 235, establishing the disposition of sales tax and use tax revenue, must read as follows:

"NEW SECTION. Section 71. **Disposition of sales tax and use tax revenue -- appropriation required.** (1) Sales tax and use tax revenue deposited in the sales tax and use tax account established in [section 70] must be distributed according to the provisions of subsection (2) and is allocated in the following priorities:

(a) the amount determined under 15-1-111(6) to provide property tax replacement revenue for each taxing jurisdiction;

(b) to the state equalization aid account established in 20-9-343, the amount necessary to provide an increase of (4?)% in each fiscal year for the basic entitlement, as defined in [section 1] and an increase of 4% in each fiscal year for the total per-ANB entitlement, as defined in [section 1];

(c) for the fiscal year ending June 30, 1995, the amount determined under [section 184] to be deposited in the workers' compensation tax account established in 39-71-2504; and

(d) the amount of sales tax and use tax revenue remaining after the allocations in subsections (1)(a) through (1)(c) to be allocated in the same manner as income tax revenue is allocated under 15-1-501(2).

(2) (a) Except as provided in subsection (1)(d), distribution of sales tax and use tax revenue must be made according to the provisions of the statute governing allocation of the tax in effect on the last day of the tax period in which the activity, enterprise, or product being taxed was engaged in, took place, was assembled, or was produced.

(b) All taxes collected pursuant to audit or collected after the date the tax is payable must be distributed

according to the statute governing allocation of the tax in effect on the date the taxes are collected.

(3) This section provides for the disposition of sales tax and use tax revenue. Allocations may not be made from the sales tax and use tax account until appropriated."

(2) If [this act] and Senate Bill No. 235 are both passed and approved, then there is a new section in [this act] that reads:

"NEW SECTION. **Section 44. Annual entitlement increase.** For the school fiscal year beginning July 1, 1994, and each succeeding school fiscal year, the superintendent of public instruction shall increase the basic entitlement for each district in [section 1(5)] by 4% and shall increase the total per-ANB entitlement calculated for each district in [section 1(9)] by 4%.""

Amendments to House Bill No. 667
Reference Reading Copy

For the Committee on

Prepared by Andrea Merrill
April 24, 1993

1. Title, page 1, line 22.
Strike: "3"
Insert: "5"

2. Title, page 2, lines 13 and 14.
Following: "BY" on line 13
Strike: remainder of line 13 through "BUDGET" on line 14
Insert: "THE DISTRICT'S DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

3. Title, page 2, line 15.
Strike: "40 PERCENT OF"
Following: "STATEWIDE"
Strike: remainder of line 15
Insert: "DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

4. Title, page 2, line 17.
Strike: "191"
Insert: "175"

5. Title, page 3, line 4.
Following: "PROVIDING"
Insert: "STATE REIMBURSEMENT FOR SCHOOL FACILITIES BASED ON A VARIATION OF"

6. Title, page 3, line 7.
Following: "ANB;"
Insert: "LIMITING THE STATE REIMBURSEMENT FOR SCHOOL FACILITIES TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995;"

7. Title, page 4, line 9.
Following: "ACT;"
Insert: "APPROPRIATING FUNDS TO THE LEGISLATIVE AUDITOR TO PAY FOR AUDIT COSTS; APPROPRIATING FUNDS TO THE LEGISLATIVE COUNCIL FOR AN INTERIM STUDY COMMITTEE;"

8. Title, page 4, line 12.
Following: "20-3-106,"
Insert: "20-3-205,"

9. Page 4, line 14.
Strike: "20-7-117,"
Insert: "20-6-703, 20-7-306, 20-7-435,"

10. Title, page 4, line 16.
Strike: "20-9-304,"

11. Title, page 4, line 18.
Strike: "20-9-348,"

12. Title, page 4, line 20.
Following: "MCA"
Insert: ", AND SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992"

13. Title, page 4, lines 22 and 23.
Following: "~~20-9-348,~~" on line 22
Insert: "20-9-348,"
Following: "MCA," on line 22
Strike: remainder of line 22 through "1992," on line 23

14. Page 6, line 22.
Following: "PRACTICABLE"
Insert: "; and
WHEREAS, in developing any request for proposals for software and data processing development, the superintendent of public instruction shall solicit input from school officials and organizations to accomplish the intent of [this act]"

15. Page 7, line 5.
Strike: "ANY AMOUNT UP TO"

16. Page 7, line 6.
Strike: "UP TO"

17. Page 7, line 7.
Strike: "BUDGETED IN"
Insert: "for"

18. Page 7, line 14.
Strike: "80% of"
Strike: "maximum"
Insert: "minimum"

19. Page 7, line 15.
Following: "district"
Insert: ", which includes 80% of the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education allowable cost payment"

20. Page 8, line 17.
Following: line 16
Insert: "(7) "Direct state aid" means 40% of the basic entitlement and 40% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid."
Renumber: subsequent subsections

21. Page 8, line 20.
Following: "AND"
Insert: "up to 153% of"

22. Page 8, lines 21 and 22.
Following: "PAYMENTS" on line 21
Strike: remainder of line 21 through "PAYMENTS" on line 22

23. Page 9, line 13.
Following: "district"
Insert: "or a K-12 district high school program"

24. Page 10, line 8.
Strike: "2,000" in both places
Insert: "1,000" in both places

25. Page 10, line 9.
Strike: "2,000TH"
Insert: "1,000th"

26. Page 16, lines 18 through 24.
Strike: line 18 through "(III)" on line 24
Insert: ":
(i) may increase the general fund budget for the district by 4% of the previous year's general fund budget or by 4% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; but
(ii) may not adopt a general fund budget that reflects less than the following general fund budget growth amounts"

27. Page 16, line 25.
Following: line 24
Insert: "(A) 20% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;
(B) 25% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;"
Renumber: subsequent subsections

28. Page 17, lines 1 and 3.
Strike: "1993" on both lines
Insert: "1995"

29. Page 17, lines 5 and 7.
Strike: "1994" on both lines
Insert: "1996"

30. Page 17, lines 10 and 11.
Strike: "1995" on both lines
Insert: "1997"

31. Page 17, line 12.
Following: "(B)"
Insert: "(i) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (2)(a).

(ii)"

32. Page 17, line 19.
Following: line 18
Insert: "(c) Nothing in this section is intended to require a district to budget in excess of its BASE budget."

33. Page 18, line 8.
Strike: "LEVY"

34. Page 18, line 11.
Following: line 10
Insert: "(c) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (3)(a)."

35. Page 18, lines 16 and 17.
Following: "THAN" on line 16
Strike: remainder of line 16 through "(I)" on line 17

36. Page 18, lines 18 through 20.
Following: "YEAR" on line 18
Strike: remainder of line 18 through "YEAR" on line 20

37. Page 19, line 24.
Following: line 23
Insert: "[(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts received in the school fiscal year ending June 30, 1993. Before excluding any Public Law 81-874 funding, a district may increase the district general fund budget for the school fiscal year ending June 30, 1993, by the allowable increases in subsections (2) and (3).]"

38. Page 21, line 7.
Following: "additional"
Insert: "direct"

39. Page 21, line 20.
Following: "aid"
Insert: "and special education allowable cost payments"

40. Page 24, line 6.
Following: "aid"
Strike: "for county retirement levy obligations"

41. Page 34, lines 13 and 14.
Following: "~~20-9-320~~" on line 13
Strike: remainder of line 13 through "(ii)]" on line 14

42. Page 35, line 13.
Strike: "20-9-502"
Insert: "20-9-353"

43. Page 35, line 14.
Strike: "OR"
Insert: "(c) the cost of constructing, purchasing, or acquiring the site or building is financed without exceeding the maximum general fund budget amount for the district and, in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or"
Renumber: subsequent subsection

44. Page 39, line 12.
Strike: "44"
Insert: "41"

45. Page 49, lines 13 through 15.
Following: "less the" on line 13
Strike: remainder of line 13 through "budget" on line 15
Insert: "sum of direct state aid and the special education allowable cost payment"

46. Page 49, lines 23 and 24.
Following: "budget" on line 23
Strike: remainder of line 23 through "district" on line 24

47. Page 50, line 2.
Following: "totaling"
Insert: ":
(i) general fund balance reappropriated, as established under the provisions of 20-9-104; and
(ii)"

48. Page 50, lines 3 through 11.
Following: "EACH" on line 3
Strike: remainder of line 3 through "anticipated" on line 11
Insert: "of the following sources:
(A)"
Renumber: subsequent subsections

49. Page 50, lines 14 and 15.
Strike: subsection (III) in its entirety
Renumber: subsequent subsections

50. Page 50, lines 16 and 18.
Strike: "anticipated or reappropriated" on both lines

51. Page 50, lines 21, 23, and 25.
Strike: "anticipated" on those lines

52. Page 51, lines 2 and 3.
Following: "(IX)" on line 2
Strike: remainder of line 2 through "reappropriated" on line 3

53. Page 51, line 5.
Strike: "anticipated"

54. Page 51, lines 8 and 9.

Following: "revenue" on line 8
Strike: remainder of line 8 through "be" on line 9
Strike: "ensuing" on line 9

55. Page 51, line 24.
Strike: "levy"

56. Page 52, lines 9 through 11.
Following: "levied" on line 9
Strike: remainder of line 9 through "MILLS" on line 11

57. Page 53, line 4.
Strike: "44"
Insert: "41"

58. Page 58, line 1.
Following: "~~BUDGET,~~"
Insert: "If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase. Upon approval, a district may not adopt a budget amendment if the amount will cause the district to exceed the district's adjusted maximum general fund budget."

59. Page 61, lines 6 and 7.
Following: "~~20-9-347~~" on line 6
Strike: remainder of line 6 through "11" on line 7
Insert: "direct state aid"

60. Page 61, line 9.
Following: "ONE-HALF"
Insert: "of the direct state aid"

61. Page 61, line 13.
Strike: "BASE budget"
Insert: "direct state aid"

62. Page 62, lines 11 and 12.
Following: "~~shall~~" on line 11
Strike: remainder of line 11 through "budget" on line 12
Insert: "direct state aid"

63. Page 62, lines 15 and 16.
Following: "~~program~~" on line 15
Strike: remainder of line 15 through "program" on line 16
Insert: "direct state aid"

64. Page 62, lines 17 and 21.
Strike: "BASE budget" on both lines
Insert: "direct state aid"

65. Page 62, lines 19 and 20.
Following: "~~program~~" on line 19
Strike: remainder of line 19 through "budget" on line 20

Insert: "direct state aid"

66. Page 63, lines 3, 6, and 8.
Strike: "BASE budget" on those lines
Insert: "direct state aid"

67. Page 63, line 10.
Strike: "BASE budget program"
Insert: "direct state aid amount"

68. Page 63, line 13.
Strike: "BASE funding program"
Insert: "direct state aid"

69. Page 64, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

70. Page 65, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

71. Page 66, line 7.
Following: "SPECIAL"
Insert: "education"

72. Page 69, line 14.
Following: "~~program~~"
Insert: "basic entitlement and"

73. Page 69, line 24.
Strike: "preceding"
Insert: "current"

74. Page 70, lines 2 and 5.
Following: "~~amount~~" on both lines
Insert: "basic entitlement and"

75. Page 70, line 23.
Following: "~~program~~"
Insert: "basic entitlement and"

76. Page 71, lines 7 and 13.
Following: "~~program~~" on both lines
Insert: "basic entitlement and"

77. Page 71, line 25 through page 72, line 16.
Strike: subsection (7) in its entirety

78. Page 74, lines 15 through 25.
Following: "20-9-507." on line 15
Strike: remainder of line 15 through "year." on line 25

79. Page 76, lines 2 through 8.
Strike: lines 2 through 8 in their entirety

80. Page 76, lines 20 and 21.
Following: "payment" on line 20
Strike: remainder of line 20 through "services" on line 21

81. Page 76, line 22.
Following: "board"
Insert: "for special education services"

82. Page 79, lines 13 and 14.
Following: "year's" on line 13
Strike: remainder of line 13 through "program" on line 14
Insert: "special education allowable cost"

83. Page 80, lines 1 through 9.
Strike: subsection (8) in its entirety

84. Page 84, lines 20 and 21.
Following: "aid," on line 20
Insert: "state reimbursement for school facilities,"
Following: "FUNDS" on line 20
Strike: remainder of line 20 through "ACCOUNT" on line 21

85. Page 85, line 7.
Following: ","
Insert: "state reimbursement for school facilities,"

86. Page 85, line 10.
Strike: "0.128% FOR"

87. Page 88, lines 11 through 13.
Following: "aid" on line 11
Strike: remainder of line 11 through "money" on line 13

88. Page 89, lines 11 and 12.
Following: "~~equalization~~" on line 11
Strike: remainder of line 11 through "," on line 12
Insert: "direct state aid"

89. Page 89, lines 14 and 15.
Following: "THE" on line 14
Strike: remainder of line 14 through "," on line 15
Insert: "direct state aid"

90. Page 89, line 18.
Strike: "SENT"
Insert: "submitted"

91. Page 90, lines 6 and 7.
Following: "~~equalization~~" on line 6
Strike: remainder of line 6 through "aid," on line 7
Insert: "direct state aid"

92. Page 90, lines 8 and 9.
Following: "~~equalization~~" on line 8
Strike: remainder of line 8 through "BASE" on line 9

Insert: "direct state"

93. Page 90, lines 16, 18, and 20.
Following: "state" on those lines
Insert: "and county"

94. Page 90, line 24 through page 91, line 1.
Following: "instruction" on line 24
Strike: remainder of page 90, line 24 through "20-9-347" on page 91, line 1

95. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of state reimbursements for school facilities, limiting the distribution from the state equalization aid account to no more than $1 million for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 38 and 39] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued as provided in [section 38(2)(b)(i) or (2)(b)(ii)] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 38];

(b) based on the limitation of state equalization aid available for debt service purposes in this subsection (2), determining the percentage of state equalization aid that each eligible district must receive for the school fiscal year;

(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2)."
Renumber: subsequent subsections

96. Page 91, lines 3 and 11.
Strike: "state equalization" on both lines
Insert: "BASE"

97. Page 91, line 18.
Following: "state"
Insert: "and county"

98. Page 92, line 4.
Strike: "**Formula for**"
Insert: "**Distribution of**"

99. Page 92, line 5.
Strike: "**apportionment**"
Insert: "**and special education allowable cost payments**"

100. Page 92, line 6 through page 93, line 19.
Strike: subsection (1) in its entirety
Renumber: subsequent subsections

101. Page 93, line 22.
Following: "with a"
Insert: "monthly"
Strike: "apportionments"
Insert: "payment"

102. Page 93, line 24 through page 94, line 2.
Following: "county" on line 24
Strike: remainder of line 24 through "report" on page 94, line 2

103. Page 94, line 9.
Strike: "(2)(b)"
Insert: "(1)(b)"

104. Page 94, line 25 through page 95, line 1.
Following: "AID" on line 25
Strike: remainder of page 94, line 25 through "aid" on page 95, line 1

105. Page 95, line 2.
Following: line 1
Insert: "(3) The superintendent of public instruction shall:
(a) distribute special education allowable cost payments to districts; and
(b) supply the county treasurer and the county superintendent of public instruction with a report of payments for special education allowable costs to districts of the county."

106. Page 95, lines 2 through 16.
Strike: section 28 in its entirety
Renumber: subsequent sections

107. Page 97, line 14.
Strike: "only"

108. Page 97, line 22.
Strike: "raise"
Insert: "expend"

109. Page 97, line 23.
Strike: "raised"
Insert: "expended"

110. Page 99, lines 6, 7, and 20.
Strike: "taxable" on those lines
Insert: "mill"

111. Page 99, lines 18 and 19.
Strike: "40%" on line 18 through "OF" on line 19

Following: "THE" on line 19
Insert: "sum of the"
Following: "YEAR"
Strike: "MAXIMUM GENERAL FUND BUDGET"
Insert: "direct state aid and 40% of the special education allowable cost payment"

112. Page 99, lines 20 and 21.
Strike: "DEBT" on line 20 through "RETIREMENT" on line 21
Insert: "school facility entitlement"

113. Page 100, lines 7 and 8.
Strike: "taxable" on both lines
Insert: "mill"

114. Page 100, line 9.
Strike: "DEBT SERVICE"
Insert: "school facility entitlement"

115. Page 100, line 17.
Following: "Statewide"
Insert: "elementary"

116. Page 100, line 19.
Strike: "FOR ELEMENTARY DISTRICTS"

117. Page 100, line 20.
Following: line 19
Insert: "high school"
Strike: "FOR HIGH SCHOOL DISTRICTS"

118. Page 100, line 24.
Strike: "191"
Insert: "175"

119. Page 100, line 25.
Following: "total"
Insert: "sum of either the"

120. Page 101, line 2.
Strike: "and"
Insert: "or the"

121. Page 101, lines 3 and 4.
Following: "~~entitlement~~" on line 3
Strike: remainder of line 3 through "BUDGET" on line 4
Insert: "direct state aid and 40% of special education allowable costs"

122. Page 101, line 11.
Following: line 10
Insert: "elementary or high school"

123. Page 101, lines 11 through 13.
Following: "RATIO" on line 11

Strike: remainder of line 11 through "DISTRICTS" on line 13

124. Page 101, lines 14 through 17.
Following: "levied" on line 14
Strike: remainder of line 14 through "MILLS," on line 17

125. Page 101, lines 21, 22, and 24.
Strike: "taxable" on those lines
Insert: "mill"
Following: "~~or~~" on line 22
Strike: ","
Insert: "or"

126. Page 101, line 23.
Strike: ", OR THE DISTRICT TAXABLE VALUE PER ANB"

127. Page 102, line 5.
Following: line 4
Insert: "(3) For the purposes of [sections 38 and 39], if the district mill value per elementary ANB or the district mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or statewide mill value per high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in support of the debt service fund."

128. Page 102, lines 10, 11, 18, and 19.
Strike: "taxable" on those lines
Insert: "mill"

129. Page 103, lines 16 through 25.
Strike: subsection (4) in its entirety
Renumber: subsequent subsection

130. Page 107, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

131. Page 108, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

132. Page 109, line 20.
Following: "(a)"
Insert: "(i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or town located in the district and at least 20 miles from any other school of the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;
(ii) a school of the district is located more than 20 miles from any other school of the district and no incorporated territory is involved in the district, the number of regularly

enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district; or

(iii) the superintendent of public instruction approves an application not to aggregate when conditions exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to travel, or when any other condition exists that would result in an unusual hardship to the pupils of the school if they were transported to another school, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(b)"

Renumber: subsequent subsections

133. Page 111, line 3.
Following: "statewide"
Insert: "and district"

134. Page 111, line 9.
Following: "each"
Insert: "school district and"

135. Page 111, line 10.
Following: "statewide"
Strike: "and"
Insert: ","
Following: "county"
Insert: ", and district"

136. Page 111, line 12.
Following: "statewide"
Strike: "and"
Insert: ","
Following: "county"
Insert: ", and district"

137. Page 111, line 14.
Following: "counties"
Insert: "and districts"

138. Page 112, line 10.
Following: line 9
Insert: "(4) For the purposes of implementing 20-9-366 through 20-9-368 and this section for the school fiscal year beginning July 1, 1993, the superintendent of public instruction shall estimate the direct state aid for a district for the school fiscal year beginning July 1, 1993, in order to calculate the district and statewide guaranteed tax base ratios for that school fiscal year. For succeeding school fiscal years, the superintendent of public instruction shall calculate the district and statewide guaranteed tax base ratios by applying the prior year's

direct state aid payment."

139. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) any state reimbursement for school facilities distributed to a qualified district under the provisions of 20-9-346, [section 38], and [section 39];"
Renumber: subsequent subsection

140. Page 115, line 23 through page 116, line 6.
Strike: subsection (c) in its entirety

141. Page 116, line 8.
Strike: "(1)(c)"
Insert: "(1)(b)"

142. Page 117, lines 19 and 20.
Following: "20-5-307(4)" on line 19
Strike: ","
Insert: "and"
Following: "20-5-312(8)" on line 20
Strike: ", and 20-9-321"

143. Page 118, line 16 through page 119, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. **Section 38. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "State reimbursement for school facilities" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b)(i) for the school fiscal years beginning July 1, 1993, and July 1, 1994, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991;

(ii) for the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district in any year.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. **Section 39. Calculation and uses of school facility entitlement amount.** (1) The state reimbursement for school facilities for a district is the percentage determined in 20-9-346(2)(b) times (1-(district mill value per ANB/statewide mill value per ANB)) times the lesser of the total school facility entitlement calculated under the provisions of [section 38] or the district's current year debt service obligations on bonds that qualify under the provisions of [section 38(2)(b)(i)

or (2)(b)(ii)].

(2) For the school fiscal years beginning July 1, 1993, and July 1, 1994, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement for all outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991.

(3) For the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement of all bonded indebtedness in the district debt service fund."

Renumber: subsequent sections

144. Page 121, line 11 through page 124, line 24.
Strike: sections 41, 42, and 43 in their entirety
Renumber: subsequent sections

145. Page 125, line 11 through page 126, line 4.
Strike: subsection (3) in its entirety

146. Page 134, lines 5 and 7.
Strike: "foundation programs" on both lines
Insert: "BASE aid"

147. Page 136, line 17.
Strike: "in support of the elementary foundation programs"

148. Page 136, lines 18 and 19.
Following: "tax" on line 18
Strike: remainder of line 18 through "programs" on line 19

149. Page 137, line 25 and page 138, lines 1, 3, 8, and 20.
Strike: "foundation program" on those lines
Insert: "direct state aid"

150. Page 138, line 22.
Following: line 21
Insert: "**Section 48.** Section 20-3-205, MCA, is amended to read:

"**20-3-205. Powers and duties.** The county superintendent has general supervision of the schools of the county within the limitations prescribed by this title and shall perform the following duties or acts:

(1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions of 20-3-352, 20-3-353, and 20-3-354;

(2) administer and file the oaths of members of the boards of trustees of the districts in his county in accordance with the provisions of 20-3-307;

(3) register the teacher or specialist certificates or emergency authorization of employment of any person employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the provisions of 20-4-202;

(4) act on each tuition application submitted to him in accordance with the provisions of 20-5-301, 20-5-302, 20-5-304, and 20-5-311 and transmit the tuition information required by 20-

5-312;

(5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

(6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

(7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions of 20-6-103;

(8) fulfill all responsibilities assigned to him under the provisions of this title regulating the organization, alteration, or abandonment of districts;

(9) act on any unification proposition and, if approved, establish additional trustee nominating districts in accordance with 20-6-312 and 20-6-313;

(10) estimate the average number belonging (ANB) of an opening school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

(11) process and, when required, act on school isolation applications in accordance with the provisions of 20-9-302;

(12) complete the budgets, compute the budgeted revenues and tax levies, file final budgets and budget amendments, and fulfill other responsibilities assigned to him under the provisions of this title regulating school budgeting systems;

(13) submit an annual financial report to the superintendent of public instruction in accordance with the provisions of 20-9-211;

(14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money, county school money, and any other school money subject to apportionment in accordance with the provisions of 20-9-212, 20-9-334, 20-9-347, 20-10-145, or 20-10-146;

(15) act on any request to transfer average number belonging (ANB) in accordance with the provisions of 20-9-313(3);

(16) calculate the estimated budgeted general fund sources of revenue in accordance with the ~~provisions of 20-9-348 and the other~~ general fund revenue provisions of the general fund part of this title;

(17) compute the revenues and the district and county levy requirements for each fund included in each district's final budget and report the computations to the board of county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other school funds parts of this title;

(18) file and forward bus driver certifications, transportation contracts, and state transportation reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

(19) for districts that do not employ a district superintendent or principal, recommend library book and textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

(20) notify the superintendent of public instruction of a textbook dealer's activities when required under the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

(21) act on district requests to allocate federal money for

indigent children for school food services in accordance with the provisions of 20-10-205;

(22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the policies of the board of public education, the policies of the board of regents relating to community college districts, or the rules of the superintendent of public instruction;

(23) administer the oath of office to trustees without the receipt of pay for administering the oath;

(24) keep a record of his official acts, preserve all reports submitted to him under the provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable to the administration of the office, and surrender all records, books, supplies, and equipment to his successor;

(25) within 90 days after the close of the school fiscal year, publish an annual report in the county newspaper stating the following financial information for the school fiscal year just ended for each district of the county:

(a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

(b) the total receipts that were realized in each fund maintained by the district;

(c) the total expenditures that were made from each fund maintained by the district; and

(d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal year; and

(26) hold meetings for the members of the trustees from time to time at which matters for the good of the districts must be discussed."

Section 49. Section 20-6-703, MCA, is amended to read:

"**20-6-703. Transitions after formation of K-12 school district.** (1) When an attachment order for a K-12 school district becomes effective on July 1 under the provisions of 20-6-701:

(a) the board of county commissioners shall execute all necessary and appropriate deeds, bills of sale, or other instruments for the conveyance of title to all real and personal property of the elementary district to the high school district;

(b) the trustees of the elementary district shall entrust the minutes of the board of trustees, the elementary district documents, and other records to the high school district to which it is attached; and

(c) the county treasurer shall transfer all end-of-the-year warrants and fund balances of the attached elementary district to the similar funds established for the K-12 school district in the high school district.

(2) All taxes levied by and revenue due from a previous school fiscal year to an elementary district attached to a high school district must be payable to the appropriate fund of the high school district.

(3) The previous year's general fund budget amounts for the elementary district and the high school district that form a K-12 school district must be combined to determine the budget limitation for the ensuing school fiscal year pursuant to ~~20-9-~~

~~315~~ [section 3].

(4) An elementary district and a high school district that form a K-12 school district under the provisions of 20-6-701 may not be considered an enlarged district for the purpose of bonus payments under 20-6-401 through 20-6-408."

Section 50. Section 20-7-306, MCA, is amended to read:

"**20-7-306. Distribution of secondary vocational education and industrial arts funds.** (1) The superintendent of public instruction shall categorize secondary vocational programs into one of five weighted categories based upon the relative additional costs of those programs.

(2) The superintendent of public instruction shall determine the weighted category to be assigned industrial arts programs.

(3) The superintendent of public instruction shall adjust the weighted categories as necessary to assure that the procedures outlined in ~~subsections~~ subsection (4) ~~and (5)~~ do not result in entitlements that exceed the amount appropriated.

(4) Funding must be based upon the average number belonging (ANB) for secondary vocational education and industrial arts programs of the high school district in the ANB calculation period immediately preceding the year for which funding is requested. The ANB must be computed for each separate secondary vocational education and industrial arts program.

(5) For secondary vocational education programs, the ANB generated for each category established in subsection (1) must be multiplied by the factor for that category, and the product must be multiplied by the ~~applicable ANB dollar value established by 20-9-319~~ district's direct state aid per-ANB. Industrial arts programs must be funded at 50% of the category assigned. The high school district is entitled to receive for secondary vocational education and industrial arts, the total of the computation of all secondary vocational education and industrial arts categories.

~~(6)~~(5) The superintendent of public instruction shall annually distribute the funds allocated in this section by November 1. The money received by the high school district must be deposited into the subfund of the miscellaneous programs fund established by 20-9-507 and may be expended only for approved secondary vocational education and industrial arts programs. The expenditure of the money must be reported in the annual trustees' report as required by 20-9-213."

Section 51. Section 20-7-435, MCA, is amended to read:

"**20-7-435. Funding of educational programs at in-state children's psychiatric hospitals and in-state residential treatment programs for eligible children with emotional disturbances.** (1) It is the intent of the legislature that eligible children in in-state children's psychiatric hospitals and residential treatment facilities be provided with an appropriate educational opportunity in a cost-effective manner.

(2) The superintendent of public instruction may contract with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an

eligible child in the hospital or treatment facility.

(3) Whenever the superintendent of public instruction contracts with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the children's psychiatric hospital or residential treatment facility, the superintendent of public instruction shall:

(a) monitor the provision of an appropriate educational opportunity for the child attending the hospital or residential treatment facility;

(b) negotiate the approval of allowable costs under the provisions of 20-7-431 for allowable costs for providing special education, including the costs of retirement benefits, federal social security system contributions, and unemployment compensation insurance; and

(c) fund 100% of any approved allowable costs under this section from funds appropriated for this purpose. An appropriation in excess of the allowable costs required under the provisions of this section must revert to the state equalization aid account.

(4) A supplemental education fee or tuition may not be charged for an eligible Montana child who receives inpatient treatment in an in-state children's psychiatric hospital or residential treatment facility.

(5) If a children's psychiatric hospital or residential treatment facility fails to provide an appropriate educational opportunity for an eligible child at the children's psychiatric hospital or residential treatment facility or fails to negotiate a contract under the provisions of subsection (2), the superintendent of public instruction shall negotiate with the school district in which the children's psychiatric hospital or residential treatment facility is located for the supervision and implementation of an appropriate educational program for a child attending the children's psychiatric hospital or residential treatment facility. The amount negotiated with the school district must be consistent with allowable costs that may be negotiated under the provisions of subsection (3).

(6) Funds provided to a district under this section:

(a) must be deposited in the miscellaneous programs fund of the district that provides the education program for an eligible child, regardless of the age or grade placement of the child who is served under a negotiated contract; and

(b) are not subject to the budget limitations in ~~20-9-315~~ [section 3]; ~~and~~

~~(c) may not be included in the foundation program amount of the district~~."""

Renumber: subsequent sections

151. Page 138, line 22.
Strike: "**APPROPRIATION.**"
Insert: "**Appropriations.** (1)"

152. Page 139, line 2.
Following: line 1
Insert: "(2) If House Bill No. 667 and Senate Bill No. 378 are

passed and approved, then there is appropriated from the general fund $124,910,000 to the state equalization aid account for the biennium ending June 30, 1995.

(3) There is appropriated from the general fund to the Montana legislative council for the biennium ending June 30, 1995, $20,000 for the interim study to be assigned and conducted as provided in [section 63]."

153. Page 139, line 3.
Following: "**BIENNIUM**"
Insert: " -- **appropriation**"

154. Page 139, lines 3 through 5.
Strike: "ANY" on line 3 through "AUDIT." on line 5
Insert: "(1) The legislative audit committee, in accordance with its constitutional authority to supervise legislative postaudits, shall ensure the independence of the audit of the office of the superintendent of public instruction conducted pursuant to Title 5, chapter 13, during the 1994-95 biennium. It is the intent of the legislature that the biennial financial compliance audit for the 2 fiscal years ending June 30, 1994, be contracted. To the extent that the legislative audit committee contracts with a private firm to conduct a portion of the audit or the entire audit, including audit work required to complete the statewide audit and the federal single audit, the total cost of all audit work during the biennium must be paid first from the line item appropriation to the office of the superintendent of public instruction for audit costs.

(2) There is appropriated from the general fund to the legislative auditor $40,000 for the biennium ending June 30, 1995, to be used if the line item appropriation to the office of the superintendent of public instruction is insufficient to pay the total audit costs."

155. Page 139, line 13.
Strike: "20-9-212," and "20-9-335,"

156. Page 140, line 1.
Following: "DISTRICT."
Insert: "(1)"

157. Page 140, line 6.
Following: line 5
Insert: "(2) This section does not apply to a petition to create a new elementary or high school district that was filed prior to [the effective date of this section]."

158. Page 140, lines 7 and 10.
Strike: "44"
Insert: "41"

159. Page 140, line 11.
Strike: "[SECTION ~~41~~ 39] IS"
Insert: "[Sections 38 and 39] are"

160. Page 140, line 13.
Strike: "SECTION"
Insert: "sections"
Following: "41"
Insert: "38 and"

161. Page 140, line 21.
Strike: "THROUGH (4)"
Insert: "and (3)"

162. Page 141, line 8.
Strike: "SECTION"
Insert: "Sections"
Following: "23"
Insert: "and 33"

163. Page 141, line 9.
Strike: "IS"
Insert: "are"
Strike: "APPLIES"
Insert: "apply"

164. Page 141, lines 12 through 16.
Strike: subsection (4) in its entirety

165. Page 141, line 20.
Following: "3481"
Insert: ", amending 20-9-303,"

166. Page 141, line 23.
Following: "3481"
Insert: ", amending 20-9-311,"

167. Page 142, line 2.
Following: "3481"
Insert: ", amending 20-9-321,"

168. Page 142, line 7.
Following: line 6.
Insert: "(5) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [section 4(1)] of House Bill No. 469 must read as follows:

"(1) Except as provided in subsections (3) and (4), whenever a child has approval to attend a school outside of the child's district of residence under the provisions of [section 1 or 2], the basis of the rate of tuition is a flat rate for each of the 15 district-size groupings determined by rule by the superintendent of public instruction by March 15 of each year, using statewide district expenditure and revenue data for the general fund, debt service fund, and retirement fund to determine the average district contribution."

(6) If House Bill No. 667 and House Bill No. 202 are passed and approved, then [section 12] of House Bill No. 202, amending 20-9-322, is void.

(7) If House Bill No. 667 and Senate Bill No. 235 are passed and approved, then [section 143] of Senate Bill No. 235, amending 20-9-439, is void.

(8) If House Bill No. 667 is passed and approved and if Senate Bill No. 235 is approved by the electorate, then the amendments to 20-9-344, 20-9-347, 20-9-366, and 20-9-368 in [this act] and in Senate Bill No. 235 are void and those sections are amended to read as follows:

Section 20-9-344, MCA, is amended to read:

"**20-9-344.** ~~Purpose of state equalization aid and duties~~ **Duties of board of public education for distribution of BASE aid.** (1) ~~The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ BASE aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ BASE aid, state retirement obligation payments, and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ BASE aid, the board of public education may not increase or decrease the ~~state equalization~~ BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ BASE aid ~~or order the county superintendent of schools to withhold county equalization money~~ from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as

provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more ~~state equalization~~ BASE aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation program payment and guaranteed tax base~~ BASE aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ October of the school fiscal year, ~~8%~~ 10% of the ~~foundation program payment~~ direct state aid to each district;

(b) from December to April of the school fiscal year, 10% of the direct state aid to each district;

~~(b)~~(c) in November of the school fiscal year, one-half of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county that has submitted a final budget to the superintendent of public instruction in accordance with the provisions of 20-9-134;

~~(c)~~(d) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county; and

~~(d)~~(e) in June of~~:~~

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, one-half of the remaining ~~foundation program~~ payment to each district of direct state aid and on the following July 15, the remaining payment to each district of direct state aid for the school fiscal year ending on the preceding June 30.

~~(7)~~(6) The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

Section 20-9-347, MCA, is amended to read:

"20-9-347. ~~Formula for state equalization~~ Distribution of BASE aid ~~apportionment~~ in support of ~~foundation~~ base funding program and retirement -- exceptions. ~~(1) The superintendent of public instruction shall apportion the state equalization aid available for support of the foundation program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:~~

~~(a) Determine the percentage that the total funds available to all counties in the state in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all counties.~~

~~(b) Determine the percentage that the total funds available in each county in support of the foundation programs in the county (excluding state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all districts of the county.~~

~~(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the foundation program.~~

~~(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all remaining counties.~~

~~(e) Each district of each remaining county is entitled to an apportionment of the state equalization aid in support of the foundation program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the foundation program amount for the district.~~

(1) The superintendent of public instruction shall apportion state retirement obligation payments to each district in support of the district's retirement fund obligations. The superintendent of public instruction shall adopt rules to ensure that for school fiscal year 1995 and succeeding years, each district receives state retirement obligation payments equal to the full amount required by the elementary districts and high school districts in the county.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a monthly report of the ~~apportionments~~ payment of ~~state equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program of each district of the county~~, and the state equalization aid in support of the foundation program must be apportioned to the districts in accordance with the report~~;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ BASE aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~(8).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state and county equalization~~ BASE aid."

Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

~~(1) "County retirement mill value per elementary ANB" or "county retirement mill value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.~~

~~(2)~~(1)(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the base budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid and 40% of the special education allowable cost payment.

(b) "District mill value per ANB", for school facility entitlement purposes, means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation program~~ total per-ANB entitlement amount.

~~(3)~~ (2) ~~"Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~(a) "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for ~~permissive and retirement guaranteed tax base~~ school facility entitlement purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ total per-ANB entitlement amounts.

(b) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base ratio", for guaranteed tax base funding for the base budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175% and divided by 40% of the total of either the state elementary school districts' or high school districts' current year total maximum general fund budget amounts."

Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid -- reversion. (1) ~~The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide county mill value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets~~

~~for the elementary districts in the county.~~

~~(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide county mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.~~

~~(3)~~ The amount of guaranteed tax base aid ~~per ANB~~ that a district may receive in support of ~~its permissive amount of the~~ up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted within the general fund budget, and up to 40% of the special education payment is ~~the difference between the district mill value per ANB and the corresponding statewide district mill value per ANB, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ calculated in the following manner:

(a) multiply 40% of the district's current year maximum general fund budget amount by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (1)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

~~(4)~~(2) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344.""

169. Page 142, line 7.
Following: line 6
Insert: "NEW SECTION. **Section 61. {standard} Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."
Renumber: subsequent sections

170. Page 142, line 7.
Strike: "SECTION"
Following: "~~36~~"
Insert: "Sections 20 and"

171. Page 142, line 8.
Strike: "TERMINATES"
Insert: "terminate"
Strike: "1993"
Insert: "1994"

172. Page 142, lines 9 through 11.
Strike: section 61 in its entirety
Renumber: subsequent sections

173. Page 143, lines 15 through 18.
Following: "TEACHERS" on line 15
Strike: remainder of line 15 through "ASSOCIATION" on line 18
Insert: "and other interested persons and organizations"

174. Page 144, line 3.
Following: line 3
Insert: "NEW SECTION. **Section 64. Contingent termination.** The bracketed language in [section 3], relating to excluding Public Law 81-874 receipts, is void on the date that the superintendent of public instruction certifies to the governor that, prior to January 1, 1995, a letter has been received from the United States department of education declaring that, after analysis of [this act], the bracketed language in [section 3] violates the provisions of the federal impact aid laws and will result in the loss of federal impact aid funds."

Free Conference Committee
on House Bill No. 667
Report No. 1, April 24, 1993

Mr. President and Mr. Speaker:

We, your Free Conference Committee on House Bill No. 667, met and considered: House Bill No. 667 in its entirety. We recommend that House Bill No. 667 (reference copy - salmon) be amended as follows:

1. Title, page 1, line 22.
Strike: "3"
Insert: "5"

2. Title, page 2, lines 13 and 14.
Following: "BY" on line 13
Strike: remainder of line 13 through "BUDGET" on line 14
Insert: "THE DISTRICT'S DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

3. Title, page 2, line 15.
Strike: "40 PERCENT OF"
Following: "STATEWIDE"
Strike: remainder of line 15
Insert: "DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

4. Title, page 2, line 17.
Strike: "191"
Insert: "175"

5. Title, page 3, line 4.
Following: "PROVIDING"
Insert: "STATE REIMBURSEMENT FOR SCHOOL FACILITIES BASED ON A VARIATION OF"

6. Title, page 3, line 7.
Following: "ANB;"
Insert: "LIMITING THE STATE REIMBURSEMENT FOR SCHOOL FACILITIES TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995;"

7. Title, page 4, line 9.
Following: "ACT;"
Insert: "APPROPRIATING FUNDS TO THE LEGISLATIVE AUDITOR TO PAY FOR AUDIT COSTS; APPROPRIATING FUNDS TO THE LEGISLATIVE COUNCIL FOR AN INTERIM STUDY COMMITTEE;"

8. Title, page 4, line 12.
Following: "20-3-106,"
Insert: "20-3-205,"

ADOPT

9. Page 4, line 14.
Strike: "20-7-117,"
Insert: "20-6-703, 20-7-306, 20-7-435,"

10. Title, page 4, line 16.
Strike: "20-9-304,"

11. Title, page 4, line 18.
Strike: "20-9-348,"

12. Title, page 4, line 20.
Following: "MCA"
Insert: ", AND SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992"

13. Title, page 4, lines 22 and 23.
Following: "~~20-9-348,~~" on line 22
Insert: "20-9-348,"
Following: "MCA," on line 22
Strike: remainder of line 22 through "1992," on line 23

14. Page 6, line 22.
Following: "PRACTICABLE"
Insert: "; and
WHEREAS, in developing any request for proposals for software and data processing development, the superintendent of public instruction shall solicit input from school officials and organizations to accomplish the intent of [this act]"

15. Page 7, line 5.
Strike: "ANY AMOUNT UP TO"

16. Page 7, line 6.
Strike: "UP TO"

17. Page 7, line 7.
Strike: "BUDGETED IN"
Insert: "for"

18. Page 7, line 14.
Strike: "80% of"
Strike: "maximum"
Insert: "minimum"

19. Page 7, line 15.
Following: "district"
Insert: ", which includes 80% of the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education allowable cost payment"

20. Page 8, line 17.
Following: line 16
Insert: "(7) "Direct state aid" means 40% of the basic entitlement and 40% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid."
Renumber: subsequent subsections

21. Page 8, line 20.
Following: "AND"
Insert: "up to 153% of"

22. Page 8, lines 21 and 22.
Following: "PAYMENTS" on line 21
Strike: remainder of line 21 through "PAYMENTS" on line 22

23. Page 9, line 13.
Following: "district"
Insert: "or a K-12 district high school program"

24. Page 10, line 8.
Strike: "2,000" in both places
Insert: "1,000" in both places

25. Page 10, line 9.
Strike: "2,000TH"
Insert: "1,000th"

26. Page 16, lines 18 through 24.
Strike: line 18 through "(III)" on line 24
Insert: ":
(i) may increase the general fund budget for the district by 4% of the previous year's general fund budget or by 4% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; but
(ii) may not adopt a general fund budget that reflects less than the following general fund budget growth amounts"

27. Page 16, line 25.
Following: line 24
Insert: "(A) 20% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;
(B) 25% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;"
Renumber: subsequent subsections

28. Page 17, lines 1 and 3.
Strike: "1993" on both lines
Insert: "1995"

29. Page 17, lines 5 and 7.
Strike: "1994" on both lines
Insert: "1996"

30. Page 17, lines 10 and 11.
Strike: "1995" on both lines
Insert: "1997"

31. Page 17, line 12.
Following: "(B)"
Insert: "(i) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (2)(a).
(ii)"

32. Page 17, line 19.
Following: line 18
Insert: "(c) Nothing in this section is intended to require a district to budget in excess of its BASE budget."

33. Page 18, line 8.
Strike: "LEVY"

34. Page 18, line 11.
Following: line 10
Insert: "(c) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (3)(a)."

35. Page 18, lines 16 and 17.
Following: "THAN" on line 16
Strike: remainder of line 16 through "(I)" on line 17

36. Page 18, lines 18 through 20.
Following: "YEAR" on line 18
Strike: remainder of line 18 through "YEAR" on line 20

37. Page 19, line 24.
Following: line 23
Insert: "[(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts received in the school fiscal year ending June 30, 1993. Before excluding any Public Law 81-874

funding, a district may increase the district general fund budget for the school fiscal year ending June 30, 1993, by the allowable increases in subsections (2) and (3).]"

38. Page 21, line 7.
Following: "additional"
Insert: "direct"

39. Page 21, line 20.
Following: "aid"
Insert: "and special education allowable cost payments"

40. Page 24, line 6.
Following: "aid"
Strike: "for county retirement levy obligations"

41. Page 34, lines 13 and 14.
Following: "~~20-9-320~~" on line 13
Strike: remainder of line 13 through "(ii)]" on line 14

42. Page 35, line 13.
Strike: "20-9-502"
Insert: "20-9-353"

43. Page 35, line 14.
Strike: "OR"
Insert: "(c) the cost of constructing, purchasing, or acquiring the site or building is financed without exceeding the maximum general fund budget amount for the district and, in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or"
Renumber: subsequent subsection

44. Page 39, line 12.
Strike: "44"
Insert: "41"

45. Page 49, lines 13 through 15.
Following: "less the" on line 13
Strike: remainder of line 13 through "budget" on line 15
Insert: "sum of direct state aid and the special education allowable cost payment"

46. Page 49, lines 23 and 24.
Following: "budget" on line 23
Strike: remainder of line 23 through "district" on line 24

47. Page 50, line 2.
Following: "totaling"

Insert: ":
(i) general fund balance reappropriated, as established under the provisions of 20-9-104; and
(ii)"

48. Page 50, lines 3 through 11.
Following: "EACH" on line 3
Strike: remainder of line 3 through "anticipated" on line 11
Insert: "of the following sources:
(A)"
Renumber: subsequent subsections

49. Page 50, lines 14 and 15.
Strike: subsection (III) in its entirety
Renumber: subsequent subsections

50. Page 50, lines 16 and 18.
Strike: "anticipated or reappropriated" on both lines

51. Page 50, lines 21, 23, and 25.
Strike: "anticipated" on those lines

52. Page 51, lines 2 and 3.
Following: "(IX)" on line 2
Strike: remainder of line 2 through "reappropriated" on line 3

53. Page 51, line 5.
Strike: "anticipated"

54. Page 51, lines 8 and 9.
Following: "revenue" on line 8
Strike: remainder of line 8 through "be" on line 9
Strike: "ensuing" on line 9

55. Page 51, line 24.
Strike: "levy"

56. Page 52, lines 9 through 11.
Following: "levied" on line 9
Strike: remainder of line 9 through "MILLS" on line 11

57. Page 53, line 4.
Strike: "44"
Insert: "41"

58. Page 58, line 1.
Following: "~~BUDGET.~~"
Insert: "If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the

superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase. Upon approval, a district may not adopt a budget amendment if the amount will cause the district to exceed the district's adjusted maximum general fund budget."

59. Page 61, lines 6 and 7.
Following: "~~20-9-347~~" on line 6
Strike: remainder of line 6 through "1]" on line 7
Insert: "direct state aid"

60. Page 61, line 9.
Following: "ONE-HALF"
Insert: "of the direct state aid"

61. Page 61, line 13.
Strike: "BASE budget"
Insert: "direct state aid"

62. Page 62, lines 11 and 12.
Following: "~~shall~~" on line 11
Strike: remainder of line 11 through "budget" on line 12
Insert: "direct state aid"

63. Page 62, lines 15 and 16.
Following: "~~program~~" on line 15
Strike: remainder of line 15 through "program" on line 16
Insert: "direct state aid"

64. Page 62, lines 17 and 21.
Strike: "BASE budget" on both lines
Insert: "direct state aid"

65. Page 62, lines 19 and 20.
Following: "~~program~~" on line 19
Strike: remainder of line 19 through "budget" on line 20
Insert: "direct state aid"

66. Page 63, lines 3, 6, and 8.
Strike: "BASE budget" on those lines
Insert: "direct state aid"

67. Page 63, line 10.
Strike: "BASE budget program"
Insert: "direct state aid amount"

68. Page 63, line 13.
Strike: "BASE funding program"
Insert: "direct state aid"

69. Page 64, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

70. Page 65, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

71. Page 66, line 7.
Following: "SPECIAL"
Insert: "education"

72. Page 69, line 14.
Following: "~~program~~"
Insert: "basic entitlement and"

73. Page 69, line 24.
Strike: "preceding"
Insert: "current"

74. Page 70, lines 2 and 5.
Following: "~~amount~~" on both lines
Insert: "basic entitlement and"

75. Page 70, line 23.
Following: "~~program~~"
Insert: "basic entitlement and"

76. Page 71, lines 7 and 13.
Following: "~~program~~" on both lines
Insert: "basic entitlement and"

77. Page 71, line 25 through page 72, line 16.
Strike: subsection (7) in its entirety

78. Page 74, lines 15 through 25.
Following: "20-9-507." on line 15
Strike: remainder of line 15 through "year." on line 25

79. Page 76, lines 2 through 8.
Strike: lines 2 through 8 in their entirety

80. Page 76, lines 20 and 21.
Following: "payment" on line 20
Strike: remainder of line 20 through "services" on line 21

81. Page 76, line 22.
Following: "board"

Insert: "for special education services"

82. Page 79, lines 13 and 14.
Following: "year's" on line 13
Strike: remainder of line 13 through "program" on line 14
Insert: "special education allowable cost"

83. Page 80, lines 1 through 9.
Strike: subsection (8) in its entirety

84. Page 84, lines 20 and 21.
Following: "aid," on line 20
Insert: "state reimbursement for school facilities,"
Following: "FUNDS" on line 20
Strike: remainder of line 20 through "ACCOUNT" on line 21

85. Page 85, line 7.
Following: ","
Insert: "state reimbursement for school facilities,"

86. Page 85, line 10.
Strike: "0.128% FOR"

87. Page 88, lines 11 through 13.
Following: "aid" on line 11
Strike: remainder of line 11 through "money" on line 13

88. Page 89, lines 11 and 12.
Following: "~~equalization~~" on line 11
Strike: remainder of line 11 through "," on line 12
Insert: "direct state aid"

89. Page 89, lines 14 and 15.
Following: "THE" on line 14
Strike: remainder of line 14 through "," on line 15
Insert: "direct state aid"

90. Page 89, line 18.
Strike: "SENT"
Insert: "submitted"

91. Page 90, lines 6 and 7.
Following: "~~equalization~~" on line 6
Strike: remainder of line 6 through "aid," on line 7
Insert: "direct state aid"

92. Page 90, lines 8 and 9.
Following: "~~equalization~~" on line 8
Strike: remainder of line 8 through "BASE" on line 9

Insert: "direct state"

93. Page 90, lines 16, 18, and 20.
Following: "state" on those lines
Insert: "and county"

94. Page 90, line 24 through page 91, line 1.
Following: "instruction" on line 24
Strike: remainder of page 90, line 24 through "20-9-347" on page 91, line 1

95. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of state reimbursements for school facilities, limiting the distribution from the state equalization aid account to no more than $1 million for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 38 and 39] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued as provided in [section 38(2)(b)(i) or (2)(b)(ii)] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 38];

(b) based on the limitation of state equalization aid available for debt service purposes in this subsection (2), determining the percentage of state equalization aid that each eligible district must receive for the school fiscal year;

(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2)."
Renumber: subsequent subsections

96. Page 91, lines 3 and 11.
Strike: "state equalization" on both lines
Insert: "BASE"

97. Page 91, line 18.
Following: "state"
Insert: "and county"

98. Page 92, line 4.
Strike: "Formula for"

Insert: "Distribution of"

99. Page 92, line 5.
Strike: "apportionment"
Insert: "and special education allowable cost payments"

100. Page 92, line 6 through page 93, line 19.
Strike: subsection (1) in its entirety
Renumber: subsequent subsections

101. Page 93, line 22.
Following: "with a"
Insert: "monthly"
Strike: "apportionments"
Insert: "payment"

102. Page 93, line 24 through page 94, line 2.
Following: "county" on line 24
Strike: remainder of line 24 through "report" on page 94, line 2

103. Page 94, line 9.
Strike: "(2)(b)"
Insert: "(1)(b)"

104. Page 94, line 25 through page 95, line 1.
Following: "AID" on line 25
Strike: remainder of page 94, line 25 through "aid" on page 95, line 1

105. Page 95, line 2.
Following: line 1
Insert: "(3) The superintendent of public instruction shall:
(a) distribute special education allowable cost payments to districts; and
(b) supply the county treasurer and the county superintendent of public instruction with a report of payments for special education allowable costs to districts of the county."

106. Page 95, lines 2 through 16.
Strike: section 28 in its entirety
Renumber: subsequent sections

107. Page 97, line 14.
Strike: "only"

108. Page 97, line 22.
Strike: "raise"
Insert: "expend"

109. Page 97, line 23.
Strike: "raised"
Insert: "expended"

110. Page 99, lines 6, 7, and 20.
Strike: "taxable" on those lines
Insert: "mill"

111. Page 99, lines 18 and 19.
Strike: "40%" on line 18 through "OF" on line 19
Following: "THE" on line 19
Insert: "sum of the"
Following: "YEAR"
Strike: "MAXIMUM GENERAL FUND BUDGET"
Insert: "direct state aid and 40% of the special education allowable cost payment"

112. Page 99, lines 20 and 21.
Strike: "DEBT" on line 20 through "RETIREMENT" on line 21
Insert: "school facility entitlement"

113. Page 100, lines 7 and 8.
Strike: "taxable" on both lines
Insert: "mill"

114. Page 100, line 9.
Strike: "DEBT SERVICE"
Insert: "school facility entitlement"

115. Page 100, line 17.
Following: "Statewide"
Insert: "elementary"

116. Page 100, line 19.
Strike: "FOR ELEMENTARY DISTRICTS"

117. Page 100, line 20.
Following: line 19
Insert: "high school"
Strike: "FOR HIGH SCHOOL DISTRICTS"

118. Page 100, line 24.
Strike: "191"
Insert: "175"

119. Page 100, line 25.
Following: "total"
Insert: "sum of either the"

120. Page 101, line 2.
Strike: "and"
Insert: "or the"

121. Page 101, lines 3 and 4.
Following: "~~entitlement~~" on line 3
Strike: remainder of line 3 through "BUDGET" on line 4
Insert: "direct state aid and 40% of special education allowable costs"

122. Page 101, line 11.
Following: line 10
Insert: "elementary or high school"

123. Page 101, lines 11 through 13.
Following: "RATIO" on line 11
Strike: remainder of line 11 through "DISTRICTS" on line 13

124. Page 101, lines 14 through 17.
Following: "levied" on line 14
Strike: remainder of line 14 through "MILLS," on line 17

125. Page 101, lines 21, 22, and 24.
Strike: "taxable" on those lines
Insert: "mill"
Following: "~~or~~" on line 22
Strike: ","
Insert: "or"

126. Page 101, line 23.
Strike: ", OR THE DISTRICT TAXABLE VALUE PER ANB"

127. Page 102, line 5.
Following: line 4
Insert: "(3) For the purposes of [sections 38 and 39], if the district mill value per elementary ANB or the district mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or statewide mill value per high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in support of the debt service fund."

128. Page 102, lines 10, 11, 18, and 19.
Strike: "taxable" on those lines
Insert: "mill"

129. Page 103, lines 16 through 25.
Strike: subsection (4) in its entirety
Renumber: subsequent subsection

130. Page 107, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

131. Page 108, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

132. Page 109, line 20.
Following: "(a)"
Insert: "(i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or town located in the district and at least 20 miles from any other school of the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(ii) a school of the district is located more than 20 miles from any other school of the district and no incorporated territory is involved in the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district; or

(iii) the superintendent of public instruction approves an application not to aggregate when conditions exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to travel, or when any other condition exists that would result in an unusual hardship to the pupils of the school if they were transported to another school, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(b)"
Renumber: subsequent subsections

133. Page 111, line 3.
Following: "statewide"
Insert: "and district"

134. Page 111, line 9.
Following: "each"
Insert: "school district and"

135. Page 111, line 10.
Following: "statewide"
Strike: "and"

Insert: ","
Following: "county"
Insert: ", and district"

136. Page 111, line 12.
Following: "statewide"
Strike: "and"
Insert: ","
Following: "county"
Insert: ", and district"

137. Page 111, line 14.
Following: "counties"
Insert: "and districts"

138. Page 112, line 10.
Following: line 9
Insert: "(4) For the purposes of implementing 20-9-366 through 20-9-368 and this section for the school fiscal year beginning July 1, 1993, the superintendent of public instruction shall estimate the direct state aid for a district for the school fiscal year beginning July 1, 1993, in order to calculate the district and statewide guaranteed tax base ratios for that school fiscal year. For succeeding school fiscal years, the superintendent of public instruction shall calculate the district and statewide guaranteed tax base ratios by applying the prior year's direct state aid payment."

139. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) any state reimbursement for school facilities distributed to a qualified district under the provisions of 20-9-346, [section 38], and [section 39];"
Renumber: subsequent subsection

140. Page 115, line 23 through page 116, line 6.
Strike: subsection (c) in its entirety

141. Page 116, line 8.
Strike: "(1)(c)"
Insert: "(1)(b)"

142. Page 117, lines 19 and 20.
Following: "20-5-307(4)" on line 19
Strike: ","
Insert: "and"
Following: "20-5-312(8)" on line 20
Strike: ", and 20-9-321"

143. Page 118, line 16 through page 119, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. Section 38. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "State reimbursement for school facilities" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b)(i) for the school fiscal years beginning July 1, 1993, and July 1, 1994, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991;

(ii) for the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district in any year.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. Section 39. Calculation and uses of school facility entitlement amount. (1) The state reimbursement for school facilities for a district is the percentage determined in 20-9-346(2)(b) times (1-(district mill value per ANB/statewide mill value per ANB)) times the lesser of the total school facility entitlement calculated under the provisions of [section 38] or the district's current year debt service obligations on bonds that qualify under the provisions of [section 38(2)(b)(i) or (2)(b)(ii)].

(2) For the school fiscal years beginning July 1, 1993, and July 1, 1994, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement for all outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991.

(3) For the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement of all bonded indebtedness in the district debt service fund."
Renumber: subsequent sections

144. Page 121, line 11 through page 124, line 24.
Strike: sections 41, 42, and 43 in their entirety
Renumber: subsequent sections

145. Page 125, line 11 through page 126, line 4.
Strike: subsection (3) in its entirety

146. Page 134, lines 5 and 7.
Strike: "foundation programs" on both lines
Insert: "BASE aid"

147. Page 136, line 17.
Strike: "in support of the elementary foundation programs"

148. Page 136, lines 18 and 19.
Following: "tax" on line 18
Strike: remainder of line 18 through "programs" on line 19

149. Page 137, line 25 and page 138, lines 1, 3, 8, and 20.
Strike: "foundation program" on those lines
Insert: "direct state aid"

150. Page 138, line 22.
Following: line 21
Insert: "**Section 48.** Section 20-3-205, MCA, is amended to read:
"**20-3-205. Powers and duties.** The county superintendent has general supervision of the schools of the county within the limitations prescribed by this title and shall perform the following duties or acts:
(1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions of 20-3-352, 20-3-353, and 20-3-354;
(2) administer and file the oaths of members of the boards of trustees of the districts in his county in accordance with the provisions of 20-3-307;
(3) register the teacher or specialist certificates or emergency authorization of employment of any person employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the provisions of 20-4-202;
(4) act on each tuition application submitted to him in accordance with the provisions of 20-5-301, 20-5-302, 20-5-304, and 20-5-311 and transmit the tuition information required by 20-5-312;
(5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;
(6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;
(7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions of 20-6-103;
(8) fulfill all responsibilities assigned to him under the provisions of this title regulating the organization, alteration, or abandonment of districts;
(9) act on any unification proposition and, if approved,

establish additional trustee nominating districts in accordance with 20-6-312 and 20-6-313;

(10) estimate the average number belonging (ANB) of an opening school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

(11) process and, when required, act on school isolation applications in accordance with the provisions of 20-9-302;

(12) complete the budgets, compute the budgeted revenues and tax levies, file final budgets and budget amendments, and fulfill other responsibilities assigned to him under the provisions of this title regulating school budgeting systems;

(13) submit an annual financial report to the superintendent of public instruction in accordance with the provisions of 20-9-211;

(14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money, county school money, and any other school money subject to apportionment in accordance with the provisions of 20-9-212, 20-9-334, 20-9-347, 20-10-145, or 20-10-146;

(15) act on any request to transfer average number belonging (ANB) in accordance with the provisions of 20-9-313(3);

(16) calculate the estimated budgeted general fund sources of revenue in accordance with the ~~provisions of 20-9-348 and the other~~ general fund revenue provisions of the general fund part of this title;

(17) compute the revenues and the district and county levy requirements for each fund included in each district's final budget and report the computations to the board of county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other school funds parts of this title;

(18) file and forward bus driver certifications, transportation contracts, and state transportation reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

(19) for districts that do not employ a district superintendent or principal, recommend library book and textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

(20) notify the superintendent of public instruction of a textbook dealer's activities when required under the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

(21) act on district requests to allocate federal money for indigent children for school food services in accordance with the provisions of 20-10-205;

(22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the policies of the board of public education, the policies of the board of regents

relating to community college districts, or the rules of the superintendent of public instruction;

(23) administer the oath of office to trustees without the receipt of pay for administering the oath;

(24) keep a record of his official acts, preserve all reports submitted to him under the provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable to the administration of the office, and surrender all records, books, supplies, and equipment to his successor;

(25) within 90 days after the close of the school fiscal year, publish an annual report in the county newspaper stating the following financial information for the school fiscal year just ended for each district of the county:

(a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

(b) the total receipts that were realized in each fund maintained by the district;

(c) the total expenditures that were made from each fund maintained by the district; and

(d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal year; and

(26) hold meetings for the members of the trustees from time to time at which matters for the good of the districts must be discussed."

Section 49. Section 20-6-703, MCA, is amended to read:

"**20-6-703. Transitions after formation of K-12 school district.** (1) When an attachment order for a K-12 school district becomes effective on July 1 under the provisions of 20-6-701:

(a) the board of county commissioners shall execute all necessary and appropriate deeds, bills of sale, or other instruments for the conveyance of title to all real and personal property of the elementary district to the high school district;

(b) the trustees of the elementary district shall entrust the minutes of the board of trustees, the elementary district documents, and other records to the high school district to which it is attached; and

(c) the county treasurer shall transfer all end-of-the-year warrants and fund balances of the attached elementary district to the similar funds established for the K-12 school district in the high school district.

(2) All taxes levied by and revenue due from a previous school fiscal year to an elementary district attached to a high school district must be payable to the appropriate fund of the high school district.

(3) The previous year's general fund budget amounts for the elementary district and the high school district that form a K-12 school district must be combined to determine the budget

limitation for the ensuing school fiscal year pursuant to ~~20-9-315~~ [section 3].

(4) An elementary district and a high school district that form a K-12 school district under the provisions of 20-6-701 may not be considered an enlarged district for the purpose of bonus payments under 20-6-401 through 20-6-408."

Section 50. Section 20-7-306, MCA, is amended to read:

"**20-7-306. Distribution of secondary vocational education and industrial arts funds.** (1) The superintendent of public instruction shall categorize secondary vocational programs into one of five weighted categories based upon the relative additional costs of those programs.

(2) The superintendent of public instruction shall determine the weighted category to be assigned industrial arts programs.

(3) The superintendent of public instruction shall adjust the weighted categories as necessary to assure that the procedures outlined in ~~subsections~~ subsection (4) ~~and (5)~~ do not result in entitlements that exceed the amount appropriated.

(4) Funding must be based upon the average number belonging (ANB) for secondary vocational education and industrial arts programs of the high school district in the ANB calculation period immediately preceding the year for which funding is requested. The ANB must be computed for each separate secondary vocational education and industrial arts program.

(5) For secondary vocational education programs, the ANB generated for each category established in subsection (1) must be multiplied by the factor for that category, and the product must be multiplied by the ~~applicable ANB dollar value established by 20-9-319~~ district's direct state aid per-ANB. Industrial arts programs must be funded at 50% of the category assigned. The high school district is entitled to receive for secondary vocational education and industrial arts, the total of the computation of all secondary vocational education and industrial arts categories.

~~(6)~~(5) The superintendent of public instruction shall annually distribute the funds allocated in this section by November 1. The money received by the high school district must be deposited into the subfund of the miscellaneous programs fund established by 20-9-507 and may be expended only for approved secondary vocational education and industrial arts programs. The expenditure of the money must be reported in the annual trustees' report as required by 20-9-213."

Section 51. Section 20-7-435, MCA, is amended to read:

"**20-7-435. Funding of educational programs at in-state children's psychiatric hospitals and in-state residential treatment programs for eligible children with emotional**

disturbances. (1) It is the intent of the legislature that eligible children in in-state children's psychiatric hospitals and residential treatment facilities be provided with an appropriate educational opportunity in a cost-effective manner.

(2) The superintendent of public instruction may contract with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the hospital or treatment facility.

(3) Whenever the superintendent of public instruction contracts with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the children's psychiatric hospital or residential treatment facility, the superintendent of public instruction shall:

(a) monitor the provision of an appropriate educational opportunity for the child attending the hospital or residential treatment facility;

(b) negotiate the approval of allowable costs under the provisions of 20-7-431 for allowable costs for providing special education, including the costs of retirement benefits, federal social security system contributions, and unemployment compensation insurance; and

(c) fund 100% of any approved allowable costs under this section from funds appropriated for this purpose. An appropriation in excess of the allowable costs required under the provisions of this section must revert to the state equalization aid account.

(4) A supplemental education fee or tuition may not be charged for an eligible Montana child who receives inpatient treatment in an in-state children's psychiatric hospital or residential treatment facility.

(5) If a children's psychiatric hospital or residential treatment facility fails to provide an appropriate educational opportunity for an eligible child at the children's psychiatric hospital or residential treatment facility or fails to negotiate a contract under the provisions of subsection (2), the superintendent of public instruction shall negotiate with the school district in which the children's psychiatric hospital or residential treatment facility is located for the supervision and implementation of an appropriate educational program for a child attending the children's psychiatric hospital or residential treatment facility. The amount negotiated with the school district must be consistent with allowable costs that may be negotiated under the provisions of subsection (3).

(6) Funds provided to a district under this section:

(a) must be deposited in the miscellaneous programs fund of the district that provides the education program for an eligible child, regardless of the age or grade placement of the child who is served under a negotiated contract; and

(b) are not subject to the budget limitations in ~~20-9-315~~ [section 3]~~, and~~

~~(c) may not be included in the foundation program amount of the district.~~""
Renumber: subsequent sections

151. Page 138, line 22.
Strike: "APPROPRIATION."
Insert: "Appropriations. (1)"

152. Page 139, line 2.
Following: line 1
Insert: "(2) If House Bill No. 667 and Senate Bill No. 378 are passed and approved, then there is appropriated from the general fund $124,910,000 to the state equalization aid account for the biennium ending June 30, 1995.

(3) There is appropriated from the general fund to the Montana legislative council for the biennium ending June 30, 1995, $20,000 for the interim study to be assigned and conducted as provided in [section 63]."

153. Page 139, line 3.
Following: "BIENNIUM"
Insert: " -- appropriation"

154. Page 139, lines 3 through 5.
Strike: "ANY" on line 3 through "AUDIT." on line 5
Insert: "(1) The legislative audit committee, in accordance with its constitutional authority to supervise legislative postaudits, shall ensure the independence of the audit of the office of the superintendent of public instruction conducted pursuant to Title 5, chapter 13, during the 1994-95 biennium. It is the intent of the legislature that the biennial financial compliance audit for the 2 fiscal years ending June 30, 1994, be contracted. To the extent that the legislative audit committee contracts with a private firm to conduct a portion of the audit or the entire audit, including audit work required to complete the statewide audit and the federal single audit, the total cost of all audit work during the biennium must be paid first from the line item appropriation to the office of the superintendent of public instruction for audit costs.

(2) There is appropriated from the general fund to the legislative auditor $40,000 for the biennium ending June 30, 1995, to be used if the line item appropriation to the office of the superintendent of public instruction is insufficient to pay the total audit costs."

155. Page 139, line 13.

Strike: "20-9-212," and "20-9-335,"

156. Page 140, line 1.
Following: "DISTRICT."
Insert: "(1)"

157. Page 140, line 6.
Following: line 5
Insert: "(2) This section does not apply to a petition to create a new elementary or high school district that was filed prior to [the effective date of this section]."

158. Page 140, lines 7 and 10.
Strike: "44"
Insert: "41"

159. Page 140, line 11.
Strike: "[SECTION ~~41~~ 39] IS"
Insert: "[Sections 38 and 39] are"

160. Page 140, line 13.
Strike: "SECTION"
Insert: "sections"
Following: "~~41~~"
Insert: "38 and"

161. Page 140, line 21.
Strike: "THROUGH (4)"
Insert: "and (3)"

162. Page 141, line 8.
Strike: "SECTION"
Insert: "Sections"
Following: "23"
Insert: "and 33"

163. Page 141, line 9.
Strike: "IS"
Insert: "are"
Strike: "APPLIES"
Insert: "apply"

164. Page 141, lines 12 through 16.
Strike: subsection (4) in its entirety

165. Page 141, line 20.
Following: "348]"
Insert: ", amending 20-9-303,"

166. Page 141, line 23.
Following: "348]"
Insert: ", amending 20-9-311,"

167. Page 142, line 2.
Following: "348]"
Insert: ", amending 20-9-321,"

168. Page 142, line 7.
Following: line 6.
Insert: "(5) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [section 4(1)] of House Bill No. 469 must read as follows:

"(1) Except as provided in subsections (3) and (4), whenever a child has approval to attend a school outside of the child's district of residence under the provisions of [section 1 or 2], the basis of the rate of tuition is a flat rate for each of the 15 district-size groupings determined by rule by the superintendent of public instruction by March 15 of each year, using statewide district expenditure and revenue data for the general fund, debt service fund, and retirement fund to determine the average district contribution."

(6) If House Bill No. 667 and House Bill No. 202 are passed and approved, then [section 12] of House Bill No. 202, amending 20-9-322, is void.

(7) If House Bill No. 667 and Senate Bill No. 235 are passed and approved, then [section 143] of Senate Bill No. 235, amending 20-9-439, is void.

(8) If House Bill No. 667 is passed and approved and if Senate Bill No. 235 is approved by the electorate, then the amendments to 20-9-344, 20-9-347, 20-9-366, and 20-9-368 in [this act] and in Senate Bill No. 235 are void and those sections are amended to read as follows:

Section 20-9-344, MCA, is amended to read:

"20-9-344. ~~Purpose of state equalization aid and duties~~ Duties of board of public education for distribution of BASE aid. (1) ~~The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ BASE aid and state advances for county equalization in the manner and with the powers and duties

provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ BASE aid, state retirement obligation payments, and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ BASE aid, the board of public education may not increase or decrease the ~~state equalization~~ BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ BASE aid ~~or order the county superintendent of schools to withhold county equalization money~~ from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more ~~state equalization~~ BASE aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation program payment and guaranteed tax base~~ BASE aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ October of the school fiscal year, ~~8%~~ 10% of the ~~foundation program payment~~ direct state aid to each district;

(b) from December to April of the school fiscal year, 10% of the direct state aid to each district;

~~(b)~~(c) in November of the school fiscal year, one-half of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county that has submitted a final budget to the superintendent of public

instruction in accordance with the provisions of 20-9-134;

~~(c)~~(d) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county; and

~~(d)~~(e) in June of:

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, one-half of the remaining ~~foundation program~~ payment to each district of direct state aid and on the following July 15, the remaining payment to each district of direct state aid for the school fiscal year ending on the preceding June 30.

~~(7)~~(6) The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

Section 20-9-347, MCA, is amended to read:

"20-9-347. ~~Formula for state equalization~~ Distribution of BASE aid ~~apportionment~~ in support of ~~foundation~~ base funding program and retirement -- exceptions. ~~(1) The superintendent of public instruction shall apportion the state equalization aid available for support of the foundation program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:~~

~~(a) Determine the percentage that the total funds available to all counties in the state in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all counties.~~

~~(b) Determine the percentage that the total funds available in each county in support of the foundation programs in the county (excluding state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all districts of the county.~~

~~(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the foundation program.~~

~~(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all remaining counties.~~

~~(e) Each district of each remaining county is entitled to~~

~~an apportionment of the state equalization aid in support of the foundation program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the foundation program amount for the district.~~

(1) The superintendent of public instruction shall apportion state retirement obligation payments to each district in support of the district's retirement fund obligations. The superintendent of public instruction shall adopt rules to ensure that for school fiscal year 1995 and succeeding years, each district receives state retirement obligation payments equal to the full amount required by the elementary districts and high school districts in the county.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a monthly report of the ~~apportionments~~ payment of ~~state equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program of each district of the county~~, and the state equalization aid in support of the foundation program must be apportioned to the districts in accordance with the report~~;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ BASE aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~(8).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state and county equalization~~ BASE aid."

Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

~~(1) "County retirement mill value per elementary ANB" or "county retirement mill value per high school ANB" means the sum~~

~~of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.~~

~~(2)~~(1)(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the base budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid and 40% of the special education allowable cost payment.

(b) "District mill value per ANB", for school facility entitlement purposes, means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation program~~ total per-ANB entitlement amount.

~~(3)~~ (2) ~~"Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~(a) "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for ~~permissive and retirement guaranteed tax base~~ school facility entitlement purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ total per-ANB entitlement amounts.

(b) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base ratio", for guaranteed tax base funding for the base budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175% and divided by 40% of the total of either the state elementary school districts' or high school districts' current year total maximum general fund budget amounts."

Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid -- reversion. (1) ~~The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide county mill value per elementary ANB, multiplied by the~~

~~number of mills levied in support of the retirement fund budgets for the elementary districts in the county.~~

~~(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide county mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.~~

~~(3)~~ The amount of guaranteed tax base aid ~~per ANB~~ that a district may receive in support of ~~its permissive amount of the~~ up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted within the general fund budget, and up to 40% of the special education payment is ~~the difference between the district mill value per ANB and the corresponding statewide district mill value per ANB, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ calculated in the following manner:

(a) multiply 40% of the district's current year maximum general fund budget amount by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (1)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

~~(4)~~(2) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344.""

169. Page 142, line 7.
Following: line 6
Insert: "NEW SECTION. **Section 61. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."
Renumber: subsequent sections

170. Page 142, line 7.
Strike: "SECTION"
Following: "~~36~~"

Insert: "Sections 20 and"

171. Page 142, line 8.
Strike: "TERMINATES"
Insert: "terminate"
Strike: "1993"
Insert: "1994"

172. Page 142, lines 9 through 11.
Strike: section 61 in its entirety
Renumber: subsequent sections

173. Page 143, lines 15 through 18.
Following: "TEACHERS" on line 15
Strike: remainder of line 15 through "ASSOCIATION" on line 18
Insert: "and other interested persons and organizations"

174. Page 144, line 3.
Following: line 3
Insert: "NEW SECTION. Section 64. Contingent termination. The bracketed language in [section 3], relating to excluding Public Law 81-874 receipts, is void on the date that the superintendent of public instruction certifies to the governor that, prior to January 1, 1995, a letter has been received from the United States department of education declaring that, after analysis of [this act], the bracketed language in [section 3] violates the provisions of the federal impact aid laws and will result in the loss of federal impact aid funds."

And that this Free Conference Committee report be adopted.

For the Senate:

Senator Towe, Chair

Senator Brown

Senator Stang

For the House:

Representative Boharski, Chair

Representative H. S. Hanson

Representative Peck

Amd. Coord.

Sec. of Senate

HOUSE BILL 667 (ORANGE REFERENCE COPY)
AMENDMENTS BY SENATE SELECT COMMITTEE AND SENATE FLOOR

1. Required 3 years (not 5) to reach BASE budget level (80% level), by the greater of the following limitations:
   (a) 104% of previous year GF budget;
   (b) 104% of previous year GF budget per-ANB x current year's ANB; or
   (c)(i) 33 1/3% of range between GF budget for SFY June 30, 1993 and BASE budget for July 1, 1993;
   (ii) 50% of range between GF budget for SFY June 30, 1994 and BASE beginning July 1, 1994; or
   (iii) remainder of range between GF budget for SFY ending June 30,1995 and BASE beginning July 1, 1995
2. Required voter approval to exceed limitations below 80%
3. Removed "optional" vote between BASE budget level and 90% level <u>but</u> retained voter approval to exceed following limitations in 80% to 100% level:
   (a) 104% of previous year GF budget; <u>or</u>
   (b) 104% of previous year GF budget per ANB x current year's ANB
4. Froze district budget growth above maximum level (100%) until the maximum GF budget for the district is reached.
5. Voter approval for districts above maximum not required for first 2 years
6. Added "weighted" GTB for GF budgets of eligible districts. Replaces per mill per ANB method with a ratio that compares the district taxable value to 40% of the district's maximum GF budget.
7. Changed Stop/Loss on per-ANB entitlements:
   Lowered High school and junior high stop/loss from 1000 to 800
   Lowered Elementary school stop/loss from 2,500 to 1,000
8. Senate amendments resulted in state guaranteed tax base level of 191% (May be 168%-170%, if $30 million in Senate changes are not funded.)

9. Created parallel system for funding special education with GTB for 25%, 10% local effort, and 65% from allowable cost payments. Coordinates with SB 348 (Halligan)
10. Amended in Senate version of SB 32 (GTB aid for debt service fund). Changed effective date to passage and approval so districts can seek voter and OPI approval in preparation for debt service equalization.
11. Based ANB Count on an average enrollment count for October 1 and February 1 of the previous year
12. Allowed districts receiving 874 funds to transfer from new impact aid fund to general fund to offset portion of district mills for BASE budget levy below 80%, with state paying GTB (complies with federal requirements). Districts using 874 funds for BASE levy support must levy a minimum tax effort based on least prior year statewide average BASE budget levy.
13. Removed House "Wanzenried" amendment limiting districts' administrative expenses to 95% of 2-year average.
14. Replaced monthly 8% SEA payment with a 10% payment to avoid district cashflow problems
15. Allowed a school of district that is more than 20 miles from another school of a district to receive separate basic entitlement
16. Added interim study of nonlevy revenue
17. Appropriated $400,000 to OPI for implementation
18. Provided moratorium on allow a district to create a new school district out of the territory of an existing district
19. Required any OPI audit to be done by contract rather than Office of the Legislative Auditor
20. Act is void if Senate Bill No. 436 (realty transfer tax) is not passed and approved.

Free Conference Committee
on House Bill No. 667
Report No. 1, April 24, 1993

Mr. President and Mr. Speaker:

We, your Free Conference Committee on House Bill No. 667, met and considered: House Bill No. 667 in its entirety. We recommend that House Bill No. 667 (reference copy - salmon) be amended as follows:

1. Title, page 1, line 22.
Strike: "3"
Insert: "5"

2. Title, page 2, lines 13 and 14.
Following: "BY" on line 13
Strike: remainder of line 13 through "BUDGET" on line 14
Insert: "THE DISTRICT'S DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

3. Title, page 2, line 15.
Strike: "40 PERCENT OF"
Following: "STATEWIDE"
Strike: remainder of line 15
Insert: "DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST"

4. Title, page 2, line 17.
Strike: "191"
Insert: "175"

5. Title, page 3, line 4.
Following: "PROVIDING"
Insert: "STATE REIMBURSEMENT FOR SCHOOL FACILITIES BASED ON A VARIATION OF"

6. Title, page 3, line 7.
Following: "ANB;"
Insert: "LIMITING THE STATE REIMBURSEMENT FOR SCHOOL FACILITIES TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995;"

7. Title, page 4, line 9.
Following: "ACT;"
Insert: "APPROPRIATING FUNDS TO THE LEGISLATIVE AUDITOR TO PAY FOR AUDIT COSTS; APPROPRIATING FUNDS TO THE LEGISLATIVE COUNCIL FOR AN INTERIM STUDY COMMITTEE;"

8. Title, page 4, line 12.
Following: "20-3-106,"
Insert: "20-3-205,"

ADOPT

REJECT

9. Page 4, line 14.
Strike: "20-7-117,"
Insert: "20-6-703, 20-7-306, 20-7-435,"

10. Title, page 4, line 16.
Strike: "20-9-304,"

11. Title, page 4, line 18.
Strike: "20-9-348,"

12. Title, page 4, line 20.
Following: "MCA"
Insert: ", AND SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992"

13. Title, page 4, lines 22 and 23.
Following: "~~20-9-348,~~" on line 22
Insert: "20-9-348,"
Following: "MCA," on line 22
Strike: remainder of line 22 through "1992," on line 23

14. Page 6, line 22.
Following: "PRACTICABLE"
Insert: "; and
WHEREAS, in developing any request for proposals for software and data processing development, the superintendent of public instruction shall solicit input from school officials and organizations to accomplish the intent of [this act]"

15. Page 7, line 5.
Strike: "ANY AMOUNT UP TO"

16. Page 7, line 6.
Strike: "UP TO"

17. Page 7, line 7.
Strike: "BUDGETED IN"
Insert: "for"

18. Page 7, line 14.
Strike: "80% of"
Strike: "maximum"
Insert: "minimum"

19. Page 7, line 15.
Following: "district"
Insert: ", which includes 80% of the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education allowable cost payment"

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20. Page 8, line 17.
Following: line 16
Insert: "(7) "Direct state aid" means 40% of the basic entitlement and 40% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid."
Renumber: subsequent subsections

21. Page 8, line 20.
Following: "AND"
Insert: "up to 153% of"

22. Page 8, lines 21 and 22.
Following: "PAYMENTS" on line 21
Strike: remainder of line 21 through "PAYMENTS" on line 22

23. Page 9, line 13.
Following: "district"
Insert: "or a K-12 district high school program"

24. Page 10, line 8.
Strike: "2,000" in both places
Insert: "1,000" in both places

25. Page 10, line 9.
Strike: "2,000TH"
Insert: "1,000th"

26. Page 16, lines 18 through 24.
Strike: line 18 through "(III)" on line 24
Insert: ":
(i) may increase the general fund budget for the district by 4% of the previous year's general fund budget or by 4% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; but
(ii) may not adopt a general fund budget that reflects less than the following general fund budget growth amounts"

27. Page 16, line 25.
Following: line 24
Insert: "(A) 20% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;
(B) 25% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;"
Renumber: subsequent subsections

28. Page 17, lines 1 and 3.
Strike: "1993" on both lines
Insert: "1995"

29. Page 17, lines 5 and 7.
Strike: "1994" on both lines
Insert: "1996"

30. Page 17, lines 10 and 11.
Strike: "1995" on both lines
Insert: "1997"

31. Page 17, line 12.
Following: "(B)"
Insert: "(i) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (2)(a).
(ii)"

32. Page 17, line 19.
Following: line 18
Insert: "(c) Nothing in this section is intended to require a district to budget in excess of its BASE budget."

33. Page 18, line 8.
Strike: "LEVY"

34. Page 18, line 11.
Following: line 10
Insert: "(c) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (3)(a)."

35. Page 18, lines 16 and 17.
Following: "THAN" on line 16
Strike: remainder of line 16 through "(I)" on line 17

36. Page 18, lines 18 through 20.
Following: "YEAR" on line 18
Strike: remainder of line 18 through "YEAR" on line 20

37. Page 19, line 24.
Following: line 23
Insert: "(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts received in the school fiscal year ending June 30, 1993. Before excluding any Public Law 81-874

funding, a district may increase the district general fund budget for the school fiscal year ending June 30, 1993, by the allowable increases in subsections (2) and (3).]"

38. Page 21, line 7.
Following: "additional"
Insert: "direct"

39. Page 21, line 20.
Following: "aid"
Insert: "and special education allowable cost payments"

40. Page 24, line 6.
Following: "aid"
Strike: "for county retirement levy obligations"

41. Page 34, lines 13 and 14.
Following: "~~20-9-320~~" on line 13
Strike: remainder of line 13 through "(ii)]" on line 14

42. Page 35, line 13.
Strike: "20-9-502"
Insert: "20-9-353"

43. Page 35, line 14.
Strike: "OR"
Insert: "(c) the cost of constructing, purchasing, or acquiring the site or building is financed without exceeding the maximum general fund budget amount for the district and, in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or"
Renumber: subsequent subsection

44. Page 39, line 12.
Strike: "44"
Insert: "41"

45. Page 49, lines 13 through 15.
Following: "less the" on line 13
Strike: remainder of line 13 through "budget" on line 15
Insert: "sum of direct state aid and the special education allowable cost payment"

46. Page 49, lines 23 and 24.
Following: "budget" on line 23
Strike: remainder of line 23 through "district" on line 24

47. Page 50, line 2.
Following: "totaling"

Insert: ":
(i) general fund balance reappropriated, as established under the provisions of 20-9-104; and
(ii)"

48. Page 50, lines 3 through 11.
Following: "EACH" on line 3
Strike: remainder of line 3 through "anticipated" on line 11
Insert: "of the following sources:
(A)"
Renumber: subsequent subsections

49. Page 50, lines 14 and 15.
Strike: subsection (III) in its entirety
Renumber: subsequent subsections

50. Page 50, lines 16 and 18.
Strike: "anticipated or reappropriated" on both lines

51. Page 50, lines 21, 23, and 25.
Strike: "anticipated" on those lines

52. Page 51, lines 2 and 3.
Following: "(IX)" on line 2
Strike: remainder of line 2 through "reappropriated" on line 3

53. Page 51, line 5.
Strike: "anticipated"

54. Page 51, lines 8 and 9.
Following: "revenue" on line 8
Strike: remainder of line 8 through "be" on line 9
Strike: "ensuing" on line 9

55. Page 51, line 24.
Strike: "levy"

56. Page 52, lines 9 through 11.
Following: "levied" on line 9
Strike: remainder of line 9 through "MILLS" on line 11

57. Page 53, line 4.
Strike: "44"
Insert: "41"

58. Page 58, line 1.
Following: "~~BUDGET.~~"
Insert: "If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the

superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase. Upon approval, a district may not adopt a budget amendment if the amount will cause the district to exceed the district's adjusted maximum general fund budget."

59. Page 61, lines 6 and 7.
Following: "~~20-9-347~~" on line 6
Strike: remainder of line 6 through "11" on line 7
Insert: "direct state aid"

60. Page 61, line 9.
Following: "ONE-HALF"
Insert: "of the direct state aid"

61. Page 61, line 13.
Strike: "BASE budget"
Insert: "direct state aid"

62. Page 62, lines 11 and 12.
Following: "~~shall~~" on line 11
Strike: remainder of line 11 through "budget" on line 12
Insert: "direct state aid"

63. Page 62, lines 15 and 16.
Following: "~~program~~" on line 15
Strike: remainder of line 15 through "program" on line 16
Insert: "direct state aid"

64. Page 62, lines 17 and 21.
Strike: "BASE budget" on both lines
Insert: "direct state aid"

65. Page 62, lines 19 and 20.
Following: "~~program~~" on line 19
Strike: remainder of line 19 through "budget" on line 20
Insert: "direct state aid"

66. Page 63, lines 3, 6, and 8.
Strike: "BASE budget" on those lines
Insert: "direct state aid"

67. Page 63, line 10.
Strike: "BASE budget program"
Insert: "direct state aid amount"

68. Page 63, line 13.
Strike: "BASE funding program"
Insert: "direct state aid"

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69. Page 64, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

70. Page 65, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

71. Page 66, line 7.
Following: "SPECIAL"
Insert: "education"

72. Page 69, line 14.
Following: "~~program~~"
Insert: "basic entitlement and"

73. Page 69, line 24.
Strike: "preceding"
Insert: "current"

74. Page 70, lines 2 and 5.
Following: "~~amount~~" on both lines
Insert: "basic entitlement and"

75. Page 70, line 23.
Following: "~~program~~"
Insert: "basic entitlement and"

76. Page 71, lines 7 and 13.
Following: "~~program~~" on both lines
Insert: "basic entitlement and"

77. Page 71, line 25 through page 72, line 16.
Strike: subsection (7) in its entirety

78. Page 74, lines 15 through 25.
Following: "20-9-507." on line 15
Strike: remainder of line 15 through "year." on line 25

79. Page 76, lines 2 through 8.
Strike: lines 2 through 8 in their entirety

80. Page 76, lines 20 and 21.
Following: "payment" on line 20
Strike: remainder of line 20 through "services" on line 21

81. Page 76, line 22.
Following: "board"

Insert: "for special education services"

82. Page 79, lines 13 and 14.
Following: "year's" on line 13
Strike: remainder of line 13 through "program" on line 14
Insert: "special education allowable cost"

83. Page 80, lines 1 through 9.
Strike: subsection (8) in its entirety

84. Page 84, lines 20 and 21.
Following: "aid," on line 20
Insert: "state reimbursement for school facilities,"
Following: "FUNDS" on line 20
Strike: remainder of line 20 through "ACCOUNT" on line 21

85. Page 85, line 7.
Following: ","
Insert: "state reimbursement for school facilities,"

86. Page 85, line 10.
Strike: "0.128% FOR"

87. Page 88, lines 11 through 13.
Following: "aid" on line 11
Strike: remainder of line 11 through "money" on line 13

88. Page 89, lines 11 and 12.
Following: "equalization" on line 11
Strike: remainder of line 11 through "," on line 12
Insert: "direct state aid"

89. Page 89, lines 14 and 15.
Following: "THE" on line 14
Strike: remainder of line 14 through "," on line 15
Insert: "direct state aid"

90. Page 89, line 18.
Strike: "SENT"
Insert: "submitted"

91. Page 90, lines 6 and 7.
Following: "equalization" on line 6
Strike: remainder of line 6 through "aid," on line 7
Insert: "direct state aid"

92. Page 90, lines 8 and 9.
Following: "equalization" on line 8
Strike: remainder of line 8 through "BASE" on line 9

Insert: "direct state"

93. Page 90, lines 16, 18, and 20.
Following: "state" on those lines
Insert: "and county"

94. Page 90, line 24 through page 91, line 1.
Following: "instruction" on line 24
Strike: remainder of page 90, line 24 through "20-9-347" on page 91, line 1

95. Page 91, line 2.
Following: line 1
Insert: "(2) for the purposes of state reimbursements for school facilities, limiting the distribution from the state equalization aid account to no more than $1 million for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 38 and 39] by:
(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued as provided in [section 38(2)(b)(i) or (2)(b)(ii)] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 38];
(b) based on the limitation of state equalization aid available for debt service purposes in this subsection (2), determining the percentage of state equalization aid that each eligible district must receive for the school fiscal year;
(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and
(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2)."
Renumber: subsequent subsections

96. Page 91, lines 3 and 11.
Strike: "state equalization" on both lines
Insert: "BASE"

97. Page 91, line 18.
Following: "state"
Insert: "and county"

98. Page 92, line 4.
Strike: "Formula for"

Insert: "Distribution of"

99. Page 92, line 5.
Strike: "apportionment"
Insert: "and special education allowable cost payments"

100. Page 92, line 6 through page 93, line 19.
Strike: subsection (1) in its entirety
Renumber: subsequent subsections

101. Page 93, line 22.
Following: "with a"
Insert: "monthly"
Strike: "apportionments"
Insert: "payment"

102. Page 93, line 24 through page 94, line 2.
Following: "county" on line 24
Strike: remainder of line 24 through "report" on page 94, line 2

103. Page 94, line 9.
Strike: "(2)(b)"
Insert: "(1)(b)"

104. Page 94, line 25 through page 95, line 1.
Following: "AID" on line 25
Strike: remainder of page 94, line 25 through "aid" on page 95, line 1

105. Page 95, line 2.
Following: line 1
Insert: "(3) The superintendent of public instruction shall:
(a) distribute special education allowable cost payments to districts; and
(b) supply the county treasurer and the county superintendent of public instruction with a report of payments for special education allowable costs to districts of the county."

106. Page 95, lines 2 through 16.
Strike: section 28 in its entirety
Renumber: subsequent sections

107. Page 97, line 14.
Strike: "only"

108. Page 97, line 22.
Strike: "raise"
Insert: "expend"

109. Page 97, line 23.
Strike: "raised"
Insert: "expended"

110. Page 99, lines 6, 7, and 20.
Strike: "taxable" on those lines
Insert: "mill"

111. Page 99, lines 18 and 19.
Strike: "40%" on line 18 through "OF" on line 19
Following: "THE" on line 19
Insert: "sum of the"
Following: "YEAR"
Strike: "MAXIMUM GENERAL FUND BUDGET"
Insert: "direct state aid and 40% of the special education allowable cost payment"

112. Page 99, lines 20 and 21.
Strike: "DEBT" on line 20 through "RETIREMENT" on line 21
Insert: "school facility entitlement"

113. Page 100, lines 7 and 8.
Strike: "taxable" on both lines
Insert: "mill"

114. Page 100, line 9.
Strike: "DEBT SERVICE"
Insert: "school facility entitlement"

115. Page 100, line 17.
Following: "Statewide"
Insert: "elementary"

116. Page 100, line 19.
Strike: "FOR ELEMENTARY DISTRICTS"

117. Page 100, line 20.
Following: line 19
Insert: "high school"
Strike: "FOR HIGH SCHOOL DISTRICTS"

118. Page 100, line 24.
Strike: "191"
Insert: "175"

119. Page 100, line 25.
Following: "total"
Insert: "sum of either the"

120. Page 101, line 2.
Strike: "and"
Insert: "or the"

121. Page 101, lines 3 and 4.
Following: "~~entitlement~~" on line 3
Strike: remainder of line 3 through "BUDGET" on line 4
Insert: "direct state aid and 40% of special education allowable costs"

122. Page 101, line 11.
Following: line 10
Insert: "elementary or high school"

123. Page 101, lines 11 through 13.
Following: "RATIO" on line 11
Strike: remainder of line 11 through "DISTRICTS" on line 13

124. Page 101, lines 14 through 17.
Following: "levied" on line 14
Strike: remainder of line 14 through "MILLS," on line 17

125. Page 101, lines 21, 22, and 24.
Strike: "taxable" on those lines
Insert: "mill"
Following: "~~or~~" on line 22
Strike: "~~,~~"
Insert: "or"

126. Page 101, line 23.
Strike: ", OR THE DISTRICT TAXABLE VALUE PER ANB"

127. Page 102, line 5.
Following: line 4
Insert: "(3) For the purposes of [sections 38 and 39], if the district mill value per elementary ANB or the district mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or statewide mill value per high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in support of the debt service fund."

128. Page 102, lines 10, 11, 18, and 19.
Strike: "taxable" on those lines
Insert: "mill"

129. Page 103, lines 16 through 25.
Strike: subsection (4) in its entirety
Renumber: subsequent subsection

130. Page 107, lines 21, 23, and 25.
Strike: "Attendance" or "attendance" on those lines
Insert: "Enrollment" or "enrollment"

131. Page 108, lines 10 and 11.
Following: "days," on line 10
Strike: remainder of line 10 through "days," on line 11

132. Page 109, line 20.
Following: "(a)"
Insert: "(i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or town located in the district and at least 20 miles from any other school of the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;
(ii) a school of the district is located more than 20 miles from any other school of the district and no incorporated territory is involved in the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district; or
(iii) the superintendent of public instruction approves an application not to aggregate when conditions exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to travel, or when any other condition exists that would result in an unusual hardship to the pupils of the school if they were transported to another school, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;
(b)"
Renumber: subsequent subsections

133. Page 111, line 3.
Following: "statewide"
Insert: "and district"

134. Page 111, line 9.
Following: "each"
Insert: "school district and"

135. Page 111, line 10.
Following: "statewide"
Strike: "and"

Insert: ","
Following: "county"
Insert: ", and district"

136. Page 111, line 12.
Following: "statewide"
Strike: "and"
Insert: ","
Following: "county"
Insert: ", and district"

137. Page 111, line 14.
Following: "counties"
Insert: "and districts"

138. Page 112, line 10.
Following: line 9
Insert: "(4) For the purposes of implementing 20-9-366 through 20-9-368 and this section for the school fiscal year beginning July 1, 1993, the superintendent of public instruction shall estimate the direct state aid for a district for the school fiscal year beginning July 1, 1993, in order to calculate the district and statewide guaranteed tax base ratios for that school fiscal year. For succeeding school fiscal years, the superintendent of public instruction shall calculate the district and statewide guaranteed tax base ratios by applying the prior year's direct state aid payment."

139. Page 115, line 12.
Following: "20-9-435;"
Insert: "(iii) any state reimbursement for school facilities distributed to a qualified district under the provisions of 20-9-346, [section 38], and [section 39];"
Renumber: subsequent subsection

140. Page 115, line 23 through page 116, line 6.
Strike: subsection (c) in its entirety

141. Page 116, line 8.
Strike: "(1)(c)"
Insert: "(1)(b)"

142. Page 117, lines 19 and 20.
Following: "20-5-307(4)" on line 19
Strike: ","
Insert: "and"
Following: "20-5-312(8)" on line 20
Strike: ", and 20-8-321"

143. Page 118, line 16 through page 119, line 16.
Strike: Section 39 in its entirety
Insert: "NEW SECTION. Section 38. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:
(1) "School facility entitlement" means:
(a) $220 per ANB for an elementary school district;
(b) $330 per ANB for a high school district; or
(c) $270 per ANB for an approved and accredited junior high school or middle school.
(2) "State reimbursement for school facilities" means the amount of state equalization aid distributed to a district that:
(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and
(b)(i) for the school fiscal years beginning July 1, 1993, and July 1, 1994, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991;
(ii) for the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district in any year.
(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

NEW SECTION. Section 39. Calculation and uses of school facility entitlement amount. (1) The state reimbursement for school facilities for a district is the percentage determined in 20-9-346(2)(b) times (1-(district mill value per ANB/statewide mill value per ANB)) times the lesser of the total school facility entitlement calculated under the provisions of [section 38] or the district's current year debt service obligations on bonds that qualify under the provisions of [section 38(2)(b)(i) or (2)(b)(ii)].
(2) For the school fiscal years beginning July 1, 1993, and July 1, 1994, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement for all outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991.
(3) For the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement of all bonded indebtedness in the district debt service fund."
Renumber: subsequent sections

144. Page 121, line 11 through page 124, line 24.
Strike: sections 41, 42, and 43 in their entirety
Renumber: subsequent sections

145. Page 125, line 11 through page 126, line 4.
Strike: subsection (3) in its entirety

146. Page 134, lines 5 and 7.
Strike: "foundation programs" on both lines
Insert: "BASE aid"

147. Page 136, line 17.
Strike: "in support of the elementary foundation programs"

148. Page 136, lines 18 and 19.
Following: "tax" on line 18
Strike: remainder of line 18 through "programs" on line 19

149. Page 137, line 25 and page 138, lines 1, 3, 8, and 20.
Strike: "foundation program" on those lines
Insert: "direct state aid"

150. Page 138, line 22.
Following: line 21
Insert: "**Section 48.** Section 20-3-205, MCA, is amended to read:

"**20-3-205. Powers and duties.** The county superintendent has general supervision of the schools of the county within the limitations prescribed by this title and shall perform the following duties or acts:

(1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions of 20-3-352, 20-3-353, and 20-3-354;

(2) administer and file the oaths of members of the boards of trustees of the districts in his county in accordance with the provisions of 20-3-307;

(3) register the teacher or specialist certificates or emergency authorization of employment of any person employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the provisions of 20-4-202;

(4) act on each tuition application submitted to him in accordance with the provisions of 20-5-301, 20-5-302, 20-5-304, and 20-5-311 and transmit the tuition information required by 20-5-312;

(5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

(6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

(7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions of 20-6-103;

(8) fulfill all responsibilities assigned to him under the provisions of this title regulating the organization, alteration, or abandonment of districts;

(9) act on any unification proposition and, if approved,

establish additional trustee nominating districts in accordance with 20-6-312 and 20-6-313;

(10) estimate the average number belonging (ANB) of an opening school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

(11) process and, when required, act on school isolation applications in accordance with the provisions of 20-9-302;

(12) complete the budgets, compute the budgeted revenues and tax levies, file final budgets and budget amendments, and fulfill other responsibilities assigned to him under the provisions of this title regulating school budgeting systems;

(13) submit an annual financial report to the superintendent of public instruction in accordance with the provisions of 20-9-211;

(14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money, county school money, and any other school money subject to apportionment in accordance with the provisions of 20-9-212, 20-9-334, 20-9-347, 20-10-145, or 20-10-146;

(15) act on any request to transfer average number belonging (ANB) in accordance with the provisions of 20-9-313(3);

(16) calculate the estimated budgeted general fund sources of revenue in accordance with the ~~provisions of 20-9-348 and the other~~ general fund revenue provisions of the general fund part of this title;

(17) compute the revenues and the district and county levy requirements for each fund included in each district's final budget and report the computations to the board of county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other school funds parts of this title;

(18) file and forward bus driver certifications, transportation contracts, and state transportation reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

(19) for districts that do not employ a district superintendent or principal, recommend library book and textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

(20) notify the superintendent of public instruction of a textbook dealer's activities when required under the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

(21) act on district requests to allocate federal money for indigent children for school food services in accordance with the provisions of 20-10-205;

(22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the policies of the board of public education, the policies of the board of regents

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relating to community college districts, or the rules of the superintendent of public instruction;

(23) administer the oath of office to trustees without the receipt of pay for administering the oath;

(24) keep a record of his official acts, preserve all reports submitted to him under the provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable to the administration of the office, and surrender all records, books, supplies, and equipment to his successor;

(25) within 90 days after the close of the school fiscal year, publish an annual report in the county newspaper stating the following financial information for the school fiscal year just ended for each district of the county:

(a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

(b) the total receipts that were realized in each fund maintained by the district;

(c) the total expenditures that were made from each fund maintained by the district; and

(d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal year; and

(26) hold meetings for the members of the trustees from time to time at which matters for the good of the districts must be discussed."

Section 49. Section 20-6-703, MCA, is amended to read:

"**20-6-703. Transitions after formation of K-12 school district.** (1) When an attachment order for a K-12 school district becomes effective on July 1 under the provisions of 20-6-701:

(a) the board of county commissioners shall execute all necessary and appropriate deeds, bills of sale, or other instruments for the conveyance of title to all real and personal property of the elementary district to the high school district;

(b) the trustees of the elementary district shall entrust the minutes of the board of trustees, the elementary district documents, and other records to the high school district to which it is attached; and

(c) the county treasurer shall transfer all end-of-the-year warrants and fund balances of the attached elementary district to the similar funds established for the K-12 school district in the high school district.

(2) All taxes levied by and revenue due from a previous school fiscal year to an elementary district attached to a high school district must be payable to the appropriate fund of the high school district.

(3) The previous year's general fund budget amounts for the elementary district and the high school district that form a K-12 school district must be combined to determine the budget

limitation for the ensuing school fiscal year pursuant to ~~20-9-315~~ [section 3].

(4) An elementary district and a high school district that form a K-12 school district under the provisions of 20-6-701 may not be considered an enlarged district for the purpose of bonus payments under 20-6-401 through 20-6-408."

Section 50. Section 20-7-306, MCA, is amended to read:

"**20-7-306. Distribution of secondary vocational education and industrial arts funds.** (1) The superintendent of public instruction shall categorize secondary vocational programs into one of five weighted categories based upon the relative additional costs of those programs.

(2) The superintendent of public instruction shall determine the weighted category to be assigned industrial arts programs.

(3) The superintendent of public instruction shall adjust the weighted categories as necessary to assure that the procedures outlined in ~~subsections~~ subsection (4) ~~and (5)~~ do not result in entitlements that exceed the amount appropriated.

(4) Funding must be based upon the average number belonging (ANB) for secondary vocational education and industrial arts programs of the high school district in the ANB calculation period immediately preceding the year for which funding is requested. The ANB must be computed for each separate secondary vocational education and industrial arts program.

(5) For secondary vocational education programs, the ANB generated for each category established in subsection (1) must be multiplied by the factor for that category, and the product must be multiplied by the ~~applicable ANB dollar value established by 20-9-319~~ district's direct state aid per-ANB. Industrial arts programs must be funded at 50% of the category assigned. The high school district is entitled to receive for secondary vocational education and industrial arts, the total of the computation of all secondary vocational education and industrial arts categories.

~~(6)~~(5) The superintendent of public instruction shall annually distribute the funds allocated in this section by November 1. The money received by the high school district must be deposited into the subfund of the miscellaneous programs fund established by 20-9-507 and may be expended only for approved secondary vocational education and industrial arts programs. The expenditure of the money must be reported in the annual trustees' report as required by 20-9-213."

Section 51. Section 20-7-435, MCA, is amended to read:

"**20-7-435. Funding of educational programs at in-state children's psychiatric hospitals and in-state residential treatment programs for eligible children with emotional**

disturbances. (1) It is the intent of the legislature that eligible children in in-state children's psychiatric hospitals and residential treatment facilities be provided with an appropriate educational opportunity in a cost-effective manner.

(2) The superintendent of public instruction may contract with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the hospital or treatment facility.

(3) Whenever the superintendent of public instruction contracts with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the children's psychiatric hospital or residential treatment facility, the superintendent of public instruction shall:

(a) monitor the provision of an appropriate educational opportunity for the child attending the hospital or residential treatment facility;

(b) negotiate the approval of allowable costs under the provisions of 20-7-431 for allowable costs for providing special education, including the costs of retirement benefits, federal social security system contributions, and unemployment compensation insurance; and

(c) fund 100% of any approved allowable costs under this section from funds appropriated for this purpose. An appropriation in excess of the allowable costs required under the provisions of this section must revert to the state equalization aid account.

(4) A supplemental education fee or tuition may not be charged for an eligible Montana child who receives inpatient treatment in an in-state children's psychiatric hospital or residential treatment facility.

(5) If a children's psychiatric hospital or residential treatment facility fails to provide an appropriate educational opportunity for an eligible child at the children's psychiatric hospital or residential treatment facility or fails to negotiate a contract under the provisions of subsection (2), the superintendent of public instruction shall negotiate with the school district in which the children's psychiatric hospital or residential treatment facility is located for the supervision and implementation of an appropriate educational program for a child attending the children's psychiatric hospital or residential treatment facility. The amount negotiated with the school district must be consistent with allowable costs that may be negotiated under the provisions of subsection (3).

(6) Funds provided to a district under this section:

(a) must be deposited in the miscellaneous programs fund of the district that provides the education program for an eligible child, regardless of the age or grade placement of the child who is served under a negotiated contract; and

(b) are not subject to the budget limitations in ~~20-9-315~~ [section 3]; ~~and~~

~~(c) may not be included in the foundation program amount of the district.~~""

Renumber: subsequent sections

151. Page 138, line 22.
Strike: "APPROPRIATION."
Insert: "Appropriations. (1)"

152. Page 139, line 2.
Following: line 1
Insert: "(2) If House Bill No. 667 and Senate Bill No. 378 are passed and approved, then there is appropriated from the general fund $124,910,000 to the state equalization aid account for the biennium ending June 30, 1995.

(3) There is appropriated from the general fund to the Montana legislative council for the biennium ending June 30, 1995, $20,000 for the interim study to be assigned and conducted as provided in [section 63]."

153. Page 139, line 3.
Following: "BIENNIUM"
Insert: " -- appropriation"

154. Page 139, lines 3 through 5.
Strike: "ANY" on line 3 through "AUDIT." on line 5
Insert: "(1) The legislative audit committee, in accordance with its constitutional authority to supervise legislative postaudits, shall ensure the independence of the audit of the office of the superintendent of public instruction conducted pursuant to Title 5, chapter 13, during the 1994-95 biennium. It is the intent of the legislature that the biennial financial compliance audit for the 2 fiscal years ending June 30, 1994, be contracted. To the extent that the legislative audit committee contracts with a private firm to conduct a portion of the audit or the entire audit, including audit work required to complete the statewide audit and the federal single audit, the total cost of all audit work during the biennium must be paid first from the line item appropriation to the office of the superintendent of public instruction for audit costs.

(2) There is appropriated from the general fund to the legislative auditor $40,000 for the biennium ending June 30, 1995, to be used if the line item appropriation to the office of the superintendent of public instruction is insufficient to pay the total audit costs."

155. Page 139, line 13.

Strike: "20-9-212," and "20-9-335,"

156. Page 140, line 1.
Following: "DISTRICT."
Insert: "(1)"

157. Page 140, line 6.
Following: line 5
Insert: "(2) This section does not apply to a petition to create a new elementary or high school district that was filed prior to [the effective date of this section]."

158. Page 140, lines 7 and 10.
Strike: "44"
Insert: "41"

159. Page 140, line 11.
Strike: "[SECTION ~~41~~ 39] IS"
Insert: "[Sections 38 and 39] are"

160. Page 140, line 13.
Strike: "SECTION"
Insert: "sections"
Following: "~~41~~"
Insert: "38 and"

161. Page 140, line 21.
Strike: "THROUGH (4)"
Insert: "and (3)"

162. Page 141, line 8.
Strike: "SECTION"
Insert: "Sections"
Following: "23"
Insert: "and 33"

163. Page 141, line 9.
Strike: "IS"
Insert: "are"
Strike: "APPLIES"
Insert: "apply"

164. Page 141, lines 12 through 16.
Strike: subsection (4) in its entirety

165. Page 141, line 20.
Following: "348]"
Insert: ", amending 20-9-303,"

166. Page 141, line 23.
Following: "348]"
Insert: ", amending 20-9-311,"

167. Page 142, line 2.
Following: "348]"
Insert: ", amending 20-9-321,"

168. Page 142, line 7.
Following: line 6.
Insert: "(5) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [section 4(1)] of House Bill No. 469 must read as follows:

"(1) Except as provided in subsections (3) and (4), whenever a child has approval to attend a school outside of the child's district of residence under the provisions of [section 1 or 2], the basis of the rate of tuition is a flat rate for each of the 15 district-size groupings determined by rule by the superintendent of public instruction by March 15 of each year, using statewide district expenditure and revenue data for the general fund, debt service fund, and retirement fund to determine the average district contribution."

(6) If House Bill No. 667 and House Bill No. 202 are passed and approved, then [section 12] of House Bill No. 202, amending 20-9-322, is void.

(7) If House Bill No. 667 and Senate Bill No. 235 are passed and approved, then [section 143] of Senate Bill No. 235, amending 20-9-439, is void.

(8) If House Bill No. 667 is passed and approved and if Senate Bill No. 235 is approved by the electorate, then the amendments to 20-9-344, 20-9-347, 20-9-366, and 20-9-368 in [this act] and in Senate Bill No. 235 are void and those sections are amended to read as follows:

Section 20-9-344, MCA, is amended to read:

"20-9-344. ~~Purpose of state equalization aid and duties~~ Duties of board of public education for distribution of BASE aid. ~~(1) The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ BASE aid and state advances for county equalization in the manner and with the powers and duties

provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ BASE aid, state retirement obligation payments, and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ BASE aid, the board of public education may not increase or decrease the ~~state equalization~~ BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~(2) The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ BASE aid ~~or order the county superintendent of schools to withhold county equalization money~~ from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~(3) Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~(4) If a district or county receives more ~~state equalization~~ BASE aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~(5) Except as provided in 20-9-347(3), the ~~foundation program payment and guaranteed tax base~~ BASE aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ October of the school fiscal year, ~~0%~~ 10% of the ~~foundation program payment~~ direct state aid to each district;

(b) from December to April of the school fiscal year, 10% of the direct state aid to each district;

~~(b)~~(c) in November of the school fiscal year, one-half of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county that has submitted a final budget to the superintendent of public

instruction in accordance with the provisions of 20-9-134;

~~(c)~~(d) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment and one-half of the state retirement obligation payment to each district or county; and

~~(d)~~(e) in June of:

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, one-half of the remaining ~~foundation program~~ payment to each district of direct state aid and on the following July 15, the remaining payment to each district of direct state aid for the school fiscal year ending on the preceding June 30.

~~(7)~~(6) The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~ (5) must occur by the last working day of each month."

Section 20-9-347, MCA, is amended to read:

"20-9-347. ~~Formula for state equalization~~ Distribution of BASE aid ~~apportionment~~ in support of ~~foundation~~ base funding program and retirement -- exceptions. ~~(1) The superintendent of public instruction shall apportion the state equalization aid available for support of the foundation program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure.~~

~~(a) Determine the percentage that the total funds available to all counties in the state in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all counties.~~

~~(b) Determine the percentage that the total funds available in each county in support of the foundation programs in the county (excluding state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all districts of the county.~~

~~(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the foundation program.~~

~~(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all remaining counties.~~

~~(e) Each district of each remaining county is entitled to~~

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~~an apportionment of the state equalization aid in support of the foundation program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the foundation program amount for the district.~~

(1) The superintendent of public instruction shall apportion state retirement obligation payments to each district in support of the district's retirement fund obligations. The superintendent of public instruction shall adopt rules to ensure that for school fiscal year 1995 and succeeding years, each district receives state retirement obligation payments equal to the full amount required by the elementary districts and high school districts in the county.

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a monthly report of the ~~apportionments~~ payment of ~~state equalization~~ BASE aid in support of the ~~foundation~~ BASE funding program of each district of the county~~, and the state equalization aid in support of the foundation program must be apportioned to the districts in accordance with the report~~;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ BASE aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~(8).

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ This section may not be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state and county equalization~~ BASE aid."

Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

~~(1) "County retirement mill value per elementary ANB" or "County retirement mill value per high school ANB" means the sum~~

~~of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.~~

~~(2)~~(1)(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the base budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid and 40% of the special education allowable cost payment.

(b) "District mill value per ANB", for school facility entitlement purposes, means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation program~~ total per-ANB entitlement amount.

~~(3)~~ (2) ~~"Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~(a) "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for ~~permissive and retirement guaranteed tax base~~ school facility entitlement purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ total per-ANB entitlement amounts.

(b) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base ratio", for guaranteed tax base funding for the base budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175% and divided by 40% of the total of either the state elementary school districts' or high school districts' current year total maximum general fund budget amounts."

Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid -- reversion. (1) ~~The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide county mill value per elementary ANB, multiplied by the~~

~~number of mills levied in support of the retirement fund budgets for the elementary districts in the county.~~

~~(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide county mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.~~

~~(3)~~ The amount of guaranteed tax base aid ~~per ANB~~ that a district may receive in support of ~~its permissive amount of the~~ up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted within the general fund budget, and up to 40% of the special education payment is ~~the difference between the district mill value per ANB and the corresponding statewide district mill value per ANB, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ calculated in the following manner:

(a) multiply 40% of the district's current year maximum general fund budget amount by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (1)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

~~(4)~~(2) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344.""

169. Page 142, line 7.
Following: line 6
Insert: "NEW SECTION. Section 61. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."
Renumber: subsequent sections

170. Page 142, line 7.
Strike: "SECTION"
Following: "36"

Insert: "Sections 20 and"

171. Page 142, line 8.
Strike: "TERMINATES"
Insert: "terminate"
Strike: "1993"
Insert: "1994"

172. Page 142, lines 9 through 11.
Strike: section 61 in its entirety
Renumber: subsequent sections

173. Page 143, lines 15 through 18.
Following: "TEACHERS" on line 15
Strike: remainder of line 15 through "ASSOCIATION" on line 18
Insert: "and other interested persons and organizations"

174. Page 144, line 3.
Following: line 3
Insert: "NEW SECTION. Section 64. Contingent termination. The bracketed language in [section 3], relating to excluding Public Law 81-874 receipts, is void on the date that the superintendent of public instruction certifies to the governor that, prior to January 1, 1995, a letter has been received from the United States department of education declaring that, after analysis of [this act], the bracketed language in [section 3] violates the provisions of the federal impact aid laws and will result in the loss of federal impact aid funds."

And that this Free Conference Committee report be adopted.

For the Senate:

Senator Towe, Chair

Senator Brown

Senator Stang

For the House:

Representative Boharski, Chair

Representative H. S. Hanson

Representative Peck

And ~~M~~ Coord.

Sec. of Senate

CHAPTER NO. 633

[HB 667]

AN ACT EQUALIZING THE STUDENT AND TAXPAYER EQUITY FOR MONTANA PUBLIC K-12 EDUCATION BY RESTRUCTURING THE FUNDING AND BUDGET MECHANISMS FOR SCHOOL DISTRICT GENERAL FUND BUDGETS; CALCULATING A MAXIMUM GENERAL FUND BUDGET FOR EACH DISTRICT BASED ON A BASIC ENTITLEMENT AND A TOTAL PER-ANB ENTITLEMENT; ALLOWING A DISTRICT UP TO 3 YEARS TO BUDGET 80 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET AMOUNT FOR THE DISTRICT, DESIGNATED AS THE BASE AMOUNT FOR SCHOOL EQUITY (BASE) BUDGET FOR THE DISTRICT; PROVIDING THAT 40 PERCENT OF THE BASIC ENTITLEMENT AND 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH DIRECT STATE AID AND THAT 40 PERCENT OF THE BASIC ENTITLEMENT AND 40 PERCENT OF THE TOTAL PER-ANB ENTITLEMENT FOR A DISTRICT BE FUNDED THROUGH LOCAL REVENUE SOURCES AND GUARANTEED TAX BASE AID IF THE DISTRICT IS ELIGIBLE; REQUIRING VOTER APPROVAL TO EXCEED CERTAIN GENERAL FUND BUDGET GROWTH INCREMENTS UP TO THE BASE BUDGET AMOUNT FOR A DISTRICT IN THE 5 SCHOOL FISCAL YEARS FOLLOWING IMPLEMENTATION; PROVIDING THAT THE REMAINING 20 PERCENT OF THE MAXIMUM GENERAL FUND BUDGET OF A DISTRICT BE FUNDED WITH LOCAL REVENUE; REQUIRING VOTER APPROVAL FOR DISTRICT GENERAL FUND BUDGET GROWTH THAT EXCEEDS 104 PERCENT OF THE PREVIOUS YEAR'S TOTAL GENERAL FUND BUDGET OR 104 PERCENT OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB MULTIPLIED BY THE CURRENT YEAR'S ANB; REVISING THE METHOD OF CALCULATING GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS BY COMPARING A DISTRICT'S TAXABLE VALUATION DIVIDED BY THE DISTRICT'S DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST AMOUNT TO THE STATEWIDE TAXABLE VALUATION DIVIDED BY THE STATEWIDE DIRECT STATE AID AND 40 PERCENT OF THE SPECIAL EDUCATION ALLOWABLE COST AMOUNT; PROVIDING GENERAL FUND GUARANTEED TAX BASE AID TO ELIGIBLE DISTRICTS AT 175 PERCENT OF THE STATEWIDE TAXABLE VALUATION PER-ANB; REQUIRING DISTRICTS ABOVE THE ALLOWABLE MAXIMUM GENERAL FUND BUDGET TO FREEZE GENERAL FUND BUDGET GROWTH UNTIL THE MAXIMUM GENERAL FUND BUDGET LEVEL IS ACHIEVED; REQUIRING VOTER APPROVAL OF A DISTRICT GENERAL FUND BUDGET ABOVE THE MAXIMUM GENERAL FUND BUDGET, WITH AN EXEMPTION FROM THE VOTER APPROVAL REQUIREMENT FOR THE FIRST 2 YEARS OF IMPLEMENTATION; CREATING A FEDERAL IMPACT AID FUND; EQUALIZING FUNDING FOR SCHOOL DISTRICT FACILITY NEEDS BY PROVIDING STATE REIMBURSEMENT FOR SCHOOL FACILITIES BASED ON A VARIATION OF GUARANTEED TAX BASE AID FOR THE DEBT SERVICE FUND OF A SCHOOL DISTRICT IF THE DISTRICT MILL VALUE PER ANB IS LESS THAN THE CORRESPONDING STATEWIDE MILL VALUE PER ANB; LIMITING THE STATE REIMBURSEMENT FOR SCHOOL FACILITIES TO $2 MILLION FOR THE BIENNIUM ENDING JUNE 30, 1995; ALLOWING A DISTRICT THAT QUALIFIES FOR

GUARANTEED TAX BASE AID TO INCUR INDEBTEDNESS UP TO 45 PERCENT OF THE STATEWIDE TAXABLE VALUE PER PUPIL MULTIPLIED BY THE DISTRICT'S ANB; PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR BASE AID; BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT FROM OCTOBER OF THE PREVIOUS YEAR; PROVIDING MATCHING FUNDS FROM THE STATE EQUALIZATION AID ACCOUNT FOR THE SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS AND SCIENCE GRANT; REQUESTING THAT AN APPROPRIATE INTERIM COMMITTEE BE ASSIGNED TO CONDUCT AN INTERIM STUDY OF CERTAIN TAXES AND PROPERTY VALUATION FOR THE PURPOSE OF ENHANCING EQUALIZED SCHOOL FUNDING AND OF EQUALIZING TAX BURDENS AMONG THE STATE'S SCHOOL DISTRICTS; APPROPRIATING FUNDS TO THE OFFICE OF PUBLIC INSTRUCTION TO IMPLEMENT THIS ACT; APPROPRIATING FUNDS TO THE LEGISLATIVE AUDITOR TO PAY FOR AUDIT COSTS; APPROPRIATING FUNDS TO THE LEGISLATIVE COUNCIL FOR AN INTERIM STUDY COMMITTEE; PROVIDING A MORATORIUM ON ALLOWING A SCHOOL DISTRICT TO CREATE A NEW SCHOOL DISTRICT OUT OF THE TERRITORY OF AN EXISTING DISTRICT; AMENDING SECTIONS 20-2-121, 20-3-106, 20-3-205, 20-3-324, 20-5-305, 20-5-312, 20-6-506, 20-6-603, 20-6-702, 20-6-703, 20-7-306, 20-7-435, 20-9-104, 20-9-113, 20-9-141, 20-9-143, 20-9-162, 20-9-163, 20-9-165, 20-9-166, 20-9-168, 20-9-201, 20-9-208, 20-9-212, 20-9-303, 20-9-305, 20-9-311, 20-9-314, 20-9-321, 20-9-335, 20-9-343, 20-9-344, 20-9-346, 20-9-347, 20-9-351, 20-9-353, 20-9-366, 20-9-367, 20-9-368, 20-9-369, 20-9-406, 20-9-439, AND 20-9-507, MCA, AND SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992; REPEALING SECTIONS 20-9-145, 20-9-147, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, 20-9-322, AND 20-9-348, MCA, AND SECTION 12, CHAPTER 6, SPECIAL LAWS OF JULY 1992; AND PROVIDING EFFECTIVE DATES, A TERMINATION DATE, AND RETROACTIVE APPLICABILITY DATES.

WHEREAS, it is the intent of the Legislature to enhance both student equity and taxpayer equity for Montana public K-12 education by restructuring the funding and budget mechanisms for school district general fund budgets; and

WHEREAS, for these purposes, the Legislature determines that the foundation program funding mechanism of the past 4 decades be replaced with a public school funding system designed to yield greater equalization of both district general fund budgets per-ANB and district taxpayer efforts within a reasonable number of years; the Legislature has structured the base amount for school equity (BASE) funding program to contain components that can be modified to meet a number of state and school district objectives and economic realities but that will still maintain the essential elements of equalization as required by the Montana Constitution; and

WHEREAS, it is the intent of the Legislature that for the year of implementation of [this act], the Office of the Superintendent of Public Instruction focus

first on implementing procedures and processes within [this act] and on assisting school districts to calculate and adopt adequate general fund budgets in compliance with [this act] and that, as soon as practical after the adoption of district final budgets, the Office of the Superintendent of Public Instruction implement essential rulemaking procedures; and

WHEREAS, the Legislature recognizes that school districts and the Office of the Superintendent of Public Instruction will need assistance in order to implement [this act] before the school fiscal year beginning July 1993 and intends that the Office of the Legislative Auditor provide available computer models and consultation, as necessary and as approved by the Legislative Audit Committee, to the Office of Public Instruction to ensure that a transition to the provisions of [this act] is accomplished with a minimum of delay and inconvenience to the districts; and

WHEREAS, the Legislature intends that the implementation of [this act] be accomplished with a minimum of additional reporting workload at the district and state level and that the Office of the Superintendent of Public Instruction, school districts, and county superintendents be strongly encouraged to implement electronic reporting and transmitting of data and information as soon as practical, using existing telecommunications networks, computer diskettes, or any other standardized means practicable; and

WHEREAS, in developing any request for proposals for software and data processing development, the superintendent of public instruction shall solicit input from school officials and organizations to accomplish the intent of [this act].

Be it enacted by the Legislature of the State of Montana:

Section 1. **Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.

(2) "BASE aid" means:

(a) direct state aid for 40% of the basic entitlement and 40% of the total per-ANB entitlement for the general fund budget of a district; and

(b) guaranteed tax base aid for an eligible district for any amount up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted in the general fund budget of a district, and up to 40% of the special education allowable cost payment.

(3) "BASE budget" means the minimum general fund budget of a district, which includes 80% of the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education allowable cost payment.

(4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366 through 20-9-369.

(5) "BASE funding program" means the state program for the equitable distribution of the state's share of the cost of Montana's basic system of public elementary schools and high schools, through county equalization aid as

provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in support of the BASE budgets of districts and special education allowable cost payments as provided in 20-9-321.

(6) "Basic entitlement" means:

(a) $200,000 for each high school district; and

(b) $18,000 for each elementary school district or K-12 district elementary program without an approved and accredited junior high school or middle school; and

(c) the prorated entitlement for each elementary school district or K-12 district elementary program with an approved and accredited junior high school or middle school, calculated as follows:

(i) $18,000 times the ratio of the ANB for kindergarten through grade 6 to the total ANB of kindergarten through grade 8; plus

(ii) $200,000 times the ratio of the ANB for grades 7 and 8 to the total ANB of kindergarten through grade 8.

(7) "Direct state aid" means 40% of the basic entitlement and 40% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid.

(8) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district, the total per-ANB entitlement for the district, and up to 153% of special education allowable cost payments.

(9) "Over-BASE budget levy" means the district levy in support of any general fund amount budgeted that is above the BASE budget and below the maximum general fund budget for a district.

(10) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district or a K-12 district high school program, a maximum rate of $4,900 for the first ANB is decreased at the rate of 50 cents per ANB for each additional ANB of the district up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB;

(b) for an elementary school district or a K-12 district elementary program without an approved and accredited junior high school or middle school, a maximum rate of $3,500 for the first ANB is decreased at the rate of 20 cents per ANB for each additional ANB of the district up through 1,000 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(c) for an elementary school district or a K-12 district elementary program with an approved and accredited junior high school or middle school, the sum of:

(i) a maximum rate of $3,500 for the first ANB for kindergarten through grade 6 is decreased at the rate of 20 cents per ANB for each additional ANB up through 1,000 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(ii) a maximum rate of $4,900 for the first ANB for grades 7 and 8 is decreased at the rate of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB.

Section 2. **BASE funding program — district general fund budget — funding sources.** (1) A basic system of free quality public elementary schools and high schools must be established and maintained throughout the state of Montana to provide equality of educational opportunity to all school-age children.

(2) The state shall in an equitable manner fund and distribute to the school districts the state's share of the cost of the basic school system through BASE aid to support the BASE funding program in the manner established in this title.

(3) The budgetary vehicle for achieving the financing system established in subsection (2) is the general fund budget of the school district. The purpose of the district general fund budget is to finance those instructional, administrative, facility maintenance, and other operational costs of a district not financed by other funds established for special purposes in this title.

(4) The BASE funding program for the districts in the state is financed by a combination of the following sources:

(a) county equalization money, as provided in 20-9-331 and 20-9-333;

(b) state equalization aid, as provided in 20-9-343, including guaranteed tax base aid for eligible districts as provided in 20-9-366 through 20-9-369;

(c) appropriations for special education;

(d) a district levy, as provided in 20-9-302, for support of a school not approved as an isolated school under the provisions of that section; and

(e) district levies or other revenue, as provided by [section 3] and 20-9-353.

Section 3. **BASE budgets and maximum general fund budgets.** (1) For the school fiscal year beginning on [the effective date of this section], the trustees of a district shall adopt a general fund budget that:

(a) except as provided in subsection (2), is at least equal to the BASE budget established for the district; or

(b) except as provided in subsection (3), does not exceed the maximum general fund budget established for the district.

(2) (a) If the BASE budget for a district for the school fiscal year beginning on [the effective date of this section] is greater than the general fund budget of the district for the prior school fiscal year, the trustees of the district:

(i) may increase the general fund budget for the district by 4% of the previous year's general fund budget or by 4% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; but

(ii) may not adopt a general fund budget that reflects less than the following general fund budget growth amounts for the appropriate school fiscal year:

(A) 20% of the range between the district general fund budget for the school fiscal year ending June 30, 1993, and the BASE budget for the district for the school fiscal year beginning July 1, 1993;

(B) 25% of the range between the district general fund budget for the school fiscal year ending June 30, 1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;

(C) 33.3% of the range between the district general fund budget for the school fiscal year ending June 30, 1995, and the BASE budget for the district for the school fiscal year beginning July 1, 1995;

(D) 50% of the range between the district general fund budget for the school fiscal year ending June 30, 1996, and the BASE budget for the district for the school fiscal year beginning July 1, 1996; or

(E) the remainder of the range between the district general fund budget for the school fiscal year ending June 30, 1997, and the BASE budget for the district for the school fiscal year beginning July 1, 1997.

(b) (i) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (2)(a).

(ii) Except for the school fiscal year beginning July 1, 1993, whenever the trustees of a district adopt a general fund budget that exceeds one of the limitations in subsection (2)(a) but does not exceed the BASE budget for the district, the trustees shall submit a proposition on the amount that exceeds the limitation to the electors of the district, as provided in 20-9-353.

(c) Nothing in this section is intended to require a district to budget in excess of its BASE budget.

(3) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget for the district but does not exceed the maximum general fund budget for the district, the trustees shall:

(a) adopt a resolution stating the reasons and purposes for exceeding the BASE budget amount if the general fund budget adopted under this subsection (3) does not exceed the greater of:

(i) 104% of the previous year's general fund budget; or

(ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for budgeting purposes; or

(b) except for the school fiscal year beginning July 1, 1993, submit a proposition on any amount of the over-BASE budget that exceeds one of the

limitations in subsection (3)(a) to the electors of the district, as provided in 20-9-353.

(c) For the school fiscal year beginning July 1, 1993, a district may not exceed the limitations in subsection (3)(a).

(4) (a) If the maximum general fund budget for a district for an ensuing school fiscal year is less than the general fund budget for the district for the current school fiscal year, the trustees of the district may not adopt a general fund budget for the ensuing school fiscal year that is greater than the district's general fund budget for the current school fiscal year.

(b) Except for the school fiscal years beginning July 1, 1993, and July 1, 1994, the trustees of the district shall submit a proposition to raise any general fund budget amount that is in excess of the maximum general fund budget for the district to the electors who are qualified under 20-20-301 to vote on the proposition, as provided in 20-9-353.

(5) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE budget for the district, the trustees shall finance this amount with the following sources of revenue:

(a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible, as provided in 20-9-366 through 20-9-369;

(b) county equalization aid, as provided in 20-9-331 and 20-9-333;

(c) a district levy for support of a school not approved as an isolated school under the provisions of 20-9-302;

(d) payments in support of special education programs under the provisions of 20-9-321;

(e) nonlevy revenue as provided in 20-9-141; and

(f) a BASE budget levy on the taxable value of all property within the district.

(6) The over-BASE budget amount of a district must be financed by a levy on the taxable value of all property within the district or other revenue available to the district as provided in 20-9-141.

[(7) For the purpose of this section, the general fund budget or general fund per-ANB budget for the school fiscal year ending June 30, 1993, is the general fund budget funded by any state, local, and federal revenue, excluding Public Law 81-874 receipts received in the school fiscal year ending June 30, 1993. Before excluding any Public Law 81-874 funding, a district may increase the district general fund budget for the school fiscal year ending June 30, 1993, by the allowable increases in subsections (2) and (3).]

Section 4. Section 20-3-106, MCA, is amended to read:

"20-3-106. Supervision of schools — powers and duties. The superintendent of public instruction has the general supervision of the public schools

and districts of the state~~,~~ and ~~he~~ shall perform the following duties or acts in implementing and enforcing the provisions of this title:

(1) resolve any controversy resulting from the proration of costs by a joint board of trustees under the provisions of 20-3-362;

(2) issue, renew, or deny teacher certification and emergency authorizations of employment;

(3) negotiate reciprocal tuition agreements with other states in accordance with the provisions of 20-5-314;

(4) serve on the teachers' retirement board in accordance with the provisions of 2-15-1010;

(5) approve or disapprove the orders of a high school boundary commission in accordance with the provisions of 20-6-311;

(6) approve or disapprove the opening or reopening of a school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-505;

(7) approve or disapprove school isolation within the limitations prescribed by 20-9-302;

(8) generally supervise the school budgeting procedures prescribed by law in accordance with the provisions of 20-9-102 and prescribe the school budget format in accordance with the provisions of 20-9-103 and 20-9-506;

(9) establish a system of communication for calculating joint district revenues in accordance with the provisions of 20-9-151;

(10) approve or disapprove the adoption of a district's budget amendment resolution under the conditions prescribed in 20-9-163 and adopt rules for an application for additional *direct* state aid for a budget amendment in accordance with the approval and disbursement provisions of 20-9-166;

(11) generally supervise the school financial administration provisions as prescribed by 20-9-201(2);

(12) prescribe and furnish the annual report forms to enable the districts to report to the county superintendent in accordance with the provisions of 20-9-213(5) and the annual report forms to enable the county superintendents to report to the superintendent of public instruction in accordance with the provisions of 20-3-209;

(13) approve, disapprove, or adjust an increase of the average number belonging (ANB) in accordance with the provisions of 20-9-313 and 20-9-314;

(14) distribute ~~state equalization~~ *BASE* aid *and special education allowable cost payments* in support of the ~~foundation~~ *BASE funding* program ~~and guaranteed tax base aid~~, in accordance with the provisions of 20-9-331, 20-9-333, 20-9-342, 20-9-346, 20-9-347, and 20-9-366 through 20-9-369;

(15) distribute state impact aid in accordance with the provisions of 20-9-304;

(16) provide for the uniform and equal provision of transportation by performing the duties prescribed by the provisions of 20-10-112;

(17) approve or disapprove an adult education program for which a district proposes to levy a tax in accordance with the provisions of 20-7-705;

(18) request, accept, deposit, and expend federal money in accordance with the provisions of 20-9-603;

(19) authorize the use of federal money for the support of an interlocal cooperative agreement in accordance with the provisions of 20-9-703 and 20-9-704;

(20) prescribe the form and contents of and approve or disapprove interstate contracts in accordance with the provisions of 20-9-705;

(21) approve or disapprove the conduct of school on a Saturday or on pupil-instruction-related days in accordance with the provisions of 20-1-303 and 20-1-304;

(22) recommend standards of accreditation for all schools to the board of public education and evaluate compliance with the standards and recommend accreditation status of every school to the board of public education in accordance with the provisions of 20-7-101 and 20-7-102;

(23) collect and maintain a file of curriculum guides and assist schools with instructional programs in accordance with the provisions of 20-7-113 and 20-7-114;

(24) establish and maintain a library of visual, aural, and other educational media in accordance with the provisions of 20-7-201;

(25) license textbook dealers and initiate prosecution of textbook dealers violating the law in accordance with the provisions of the textbooks part of this title;

(26) as the governing agent and executive officer of the state of Montana for K-12 vocational education, adopt the policies prescribed by and in accordance with the provisions of 20-7-301;

(27) supervise and coordinate the conduct of special education in the state in accordance with the provisions of 20-7-403;

(28) administer the traffic education program in accordance with the provisions of 20-7-502;

(29) administer the school food services program in accordance with the provisions of 20-10-201, 20-10-202, and 20-10-203;

(30) review school building plans and specifications in accordance with the provisions of 20-6-622;

(31) prescribe the method of identification and signals to be used by school safety patrols in accordance with the provisions of 20-1-408;

(32) provide schools with information and technical assistance for compliance with the student assessment rules provided for in 20-2-121 and collect

and summarize the results of the student assessment for the board of public education and the legislature;

(33) administer the distribution of guaranteed tax base aid ~~for county retirement levy obligations~~ in accordance with 20-9-366 through 20-9-369; and

(34) perform any other duty prescribed from time to time by this title, any other act of the legislature, or the policies of the board of public education."

Section 5. Section 20-3-324, MCA, is amended to read:

"20-3-324. Powers and duties. As prescribed elsewhere in this title, the trustees of each district shall:

(1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district superintendent, the county high school principal, or other principal as the board considers necessary, accepting or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the provisions of Title 20, chapter 4;

(2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians, maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered necessary to carry out the various services of the district;

(3) administer the attendance and tuition provisions and otherwise govern the pupils of the district in accordance with the provisions of the pupils chapter of this title;

(4) call, conduct, and certify the elections of the district in accordance with the provisions of the school elections chapter of this title;

(5) participate in the teachers' retirement system of the state of Montana in accordance with the provisions of the teachers' retirement system chapter of Title 19;

(6) participate in district boundary change actions in accordance with the provisions of the districts chapter of this title;

(7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the provisions of the school organization part of this title;

(8) adopt and administer the annual budget or a budget amendment of the district in accordance with the provisions of the school budget system part of this title;

(9) conduct the fiscal business of the district in accordance with the provisions of the school financial administration part of this title;

(10) establish the ANB, ~~foundation program, permissive,~~ *BASE budget levy, over-BASE budget levy,* additional levy, operating reserve, and state impact aid amounts for the general fund of the district in accordance with the provisions of the general fund part of this title;

(11) establish, maintain, budget, and finance the transportation program of the district in accordance with the provisions of the transportation parts of this title;

(12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions of the bonds parts of this title;

(13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund, building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous federal programs fund, building fund, lease or rental agreement fund, traffic education fund, *impact aid fund,* and interlocal cooperative agreement fund in accordance with the provisions of the other school funds parts of this title;

(14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in accordance with the provisions of the miscellaneous financial parts of this title;

(15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with the provisions of the school sites and facilities part of this title;

(16) operate the schools of the district in accordance with the provisions of the school calendar part of this title;

(17) establish and maintain the instructional services of the schools of the district in accordance with the provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

(18) establish and maintain the school food services of the district in accordance with the provisions of the school food services parts of this title;

(19) make reports from time to time as the county superintendent, superintendent of public instruction, and board of public education may require;

(20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions of the school or the general health conditions of each pupil and, upon request, make available to any parent or guardian any medical reports or health records maintained by the district pertaining to ~~his~~ *a* child;

(21) for each member of the trustees, visit each school of the district not less than once each school fiscal year to examine its management, conditions, and needs, except trustees from a first-class school district may share the responsibility for visiting each school in the district;

(22) procure and display outside daily in suitable weather at each school of the district an American flag that measures not less than 4 feet by 6 feet;

(23) adopt and administer a district policy on assessment for placement of any child who enrolls in a school of the district from a nonpublic school that is not accredited, as required in 20-5-110; and

(24) perform any other duty and enforce any other requirements for the government of the schools prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public instruction."

Section 6. Section 20-5-305, MCA, is amended to read:

"20-5-305. Elementary tuition rates. (1) Whenever a pupil of an elementary district has been granted approval to attend a school outside of the district in which ~~he~~ *the pupil* resides, under the provisions of 20-5-301 or 20-5-302, the district of residence shall pay tuition to the elementary district where the pupil attends school. Except as provided in subsection (2), the basis of the rate of tuition ~~shall~~ *must* be determined by the attended district. The rate of tuition must be determined on March 15 by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed by the foundation program schedules~~ *of any general fund budget amount up to the district BASE budget level* and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive and~~ retirement mills levied.

(2) The tuition for a full-time elementary special education pupil must be determined under rules adopted by the superintendent of public instruction for the calculation of elementary tuition for full-time elementary special education pupils as designated in 20-9-311 for funding purposes."

Section 7. Section 20-5-312, MCA, is amended to read:

"20-5-312. Reporting, budgeting, and payment for high school tuition. (1) Except as provided in subsection (2), on March 15, the trustees of each high school district shall determine the rate of tuition for the current school fiscal year by:

(a) totaling the previous school fiscal year's expenditures from the district general fund, the debt service fund, and, if the pupil is a resident of another county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a) above by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of public instruction for purposes of accreditation pursuant to 20-7-102 and 20-9-344; and

(c) subtracting from the amount determined in subsection (1)(b) the per-ANB amount ~~allowed by the foundation program schedules~~ *of any general fund budget amount up to the district BASE budget level* and the per-ANB amount that is the ANB value per mill calculated pursuant to 20-9-366, multiplied by the number of ~~permissive and~~ retirement mills levied.

(2) The tuition for a full-time high school special education pupil must be determined under rules adopted by the superintendent of public instruction for

the calculation of tuition for full-time high school special education pupils as designated in 20-9-311 for funding purposes.

(3) Before July 15, the trustees shall report to the county superintendent of the county in which the district is located:

(a) the names, addresses, and resident districts of the pupils attending the schools of the district under an approved tuition agreement;

(b) the number of days of school attended by each pupil;

(c) the amount, if any, of each pupil's tuition payment that the trustees, in their discretion, have the authority to waive; and

(d) the rate of current school fiscal year tuition, as determined under the provisions of this section.

(4) When the county superintendent receives a tuition report from a district, ~~he~~ *the county superintendent* shall immediately send the reported information to the superintendent of each district in which the reported pupils reside.

(5) When the district superintendent receives a tuition report or reports for high school pupils residing in ~~his~~ *the* district and attending an out-of-district high school under approved tuition agreements, ~~he~~ *the district superintendent* shall determine the total amount of tuition due the out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils attending under an approved tuition agreement, and other information provided by each high school district where resident district pupils have attended school.

(6) The total amount of the high school tuition, with consideration of any tuition waivers, for pupils attending a high school outside the county of residence must be financed by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall ~~cause the payment~~ *pay* by county warrant ~~of~~ at least one-half of the high school tuition obligations established under this section out of the first money realized from the county basic special tax for high schools. The remaining obligations must be paid by June 15 of the school fiscal year. The payments must be made to the county treasurer of the county where each high school entitled to tuition is located. Except as provided in subsection (8), the county treasurer shall credit tuition receipts to the general fund of the applicable high school district, and the tuition receipts must be used in accordance with the provisions of 20-9-141.

(7) For pupils attending a high school outside their district of residence but within the county of residence, the total amount of the tuition, with consideration of any tuition waivers, must be paid during the ensuing school fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition fund of the preliminary and final budgets. This budgeted tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall report the net tuition fund levy requirement for each high school district to the county commissioners on the second Monday of August, and a levy on the district must be made by the county commissioners in accordance with 20-9-142. The levy requirement must be calculated by subtracting from the total expenditure amount authorized in the final tuition fund budget the sum of the fund balance in the tuition fund at the end of the

immediately preceding school fiscal year plus any other anticipated money that may be realized in the tuition fund. The trustees shall pay by warrants drawn on the tuition fund the tuition amounts owed to each district included in the county superintendent's notification. Payments must be made whenever there is a sufficient amount of cash available in the tuition fund but no later than the end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a hearing and either approve or disapprove the transfer.

(8) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or this part for the current school fiscal year must be deposited in a separate account of the district miscellaneous programs fund and may be used for that year in the manner provided for in that fund. For the ensuing school fiscal year, the receipts must be credited to the district general fund budget."

Section 8. Section 20-6-506, MCA, is amended to read:

"20-6-506. Budgeting and cost sharing when junior high school operated by elementary district and high school district operating a county high school. (1) Whenever the opening of a junior high school is approved for the ensuing school fiscal year under 20-6-505, the county superintendent shall estimate the average number belonging (ANB) after investigating the probable enrollment for the junior high school. The ANB determined by the county superintendent and the ANB actually realized in subsequent school fiscal years must be applied ~~under 20-9-320~~ to prorate the ~~foundation program schedule amount provided in 20-9-303(2)(a)~~ *BASE funding program amount* between the elementary and high school districts. Each district shall adopt its general fund budget on the basis of the prorated amount and shall finance its proportionate share of the cost of operating the junior high school.

(2) The cost of operating the junior high school must be prorated between the elementary district and the high school district on the basis of the ratio that the number of pupils of their district is to the total enrollment of the junior high school."

Section 9. Section 20-6-603, MCA, is amended to read:

"20-6-603. Trustees' authority to acquire or dispose of sites and buildings — when election required. (1) The trustees of ~~any~~ *a* district may purchase, build, exchange, or otherwise acquire, sell, or dispose of sites and buildings of the district. Action may not be taken by the trustees without the approval of the qualified electors of the district at an election called for the purpose of approval unless:

(a) a bond issue has been authorized for the purpose of constructing, purchasing, or acquiring the site or building;

(b) an additional levy under the provisions of 20-9-353 has been approved for the purpose of constructing, purchasing, or acquiring the site or building;

(c) the cost of constructing, purchasing, or acquiring the site or building is financed without exceeding the maximum general fund budget amount for the

district and, in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or

~~(c) the cost of constructing, purchasing, or acquiring the site or building is financed without exceeding the foundation program schedule amount provided in 20-9-303(2)(a), and in the case of a site purchase, the site has been approved under the provisions of 20-6-621; or~~

(d) money is otherwise available under the provisions of this title and the ballot for the site approval for the building incorporated a description of the building to be located on the site.

(2) When an election is conducted under the provisions of this section, it must be called under the provisions of 20-20-201 and must be conducted in the manner prescribed by this title for school elections. An elector qualified to vote under the provisions of 20-20-301 may vote in the election. If a majority of those electors voting at the election approve the proposed action, the trustees may take the proposed action."

Section 10. Section 20-6-702, MCA, is amended to read:

"20-6-702. Funding for K-12 school districts. (1) Notwithstanding the provisions of subsections (2) through (6), a K-12 school district formed under the provisions of 20-6-701 is subject to the provisions of law for high school districts.

(2) The number of elected trustees of the K-12 school district must be based on the classification of the attached elementary district under the provisions of 20-3-341 and 20-3-351.

(3) Calculations for the following must be made separately for the elementary school program and the high school program of a K-12 school district:

(a) the calculation of ANB for purposes of determining ~~the foundation program schedule payments~~ *total per-ANB entitlements* must be in accordance with the provisions of 20-9-311;

(b) the basic county tax and revenues for the elementary ~~foundation~~ *BASE funding* program amount for the district must be determined in accordance with the provisions of 20-9-331, and the basic special tax and revenues for the high school ~~foundation~~ *BASE funding* program amount for the district must be determined in accordance with 20-9-333; and

(c) the guaranteed tax base aid for ~~the permissive levy amount~~ *BASE funding program purposes* for a K-12 school district must be calculated separately, using ~~the mill value per elementary ANB and the mill value per high school ANB~~ *each district's guaranteed tax base ratio,* as defined in 20-9-366. The ~~permissive amount~~ *BASE budget levy* to be levied for the K-12 school district must be prorated based on the ratio of the ~~foundation~~ *BASE funding* program amounts for elementary school programs to the ~~foundation~~ *BASE funding* program amounts for high school programs.

(4) The retirement obligation and eligibility for retirement guaranteed tax base aid for a K-12 school district must be calculated and funded as a high school district retirement obligation under the provisions of 20-9-501.

(5) For the purposes of budgeting for a K-12 school district, the trustees shall adopt a single fund for any of the budgeted or nonbudgeted funds described in 20-9-201 for the costs of operating all grades and programs of the district.

(6) Tuition for attendance in the K-12 school district must be determined separately for high school pupils and for elementary pupils under the provisions of chapter 5, part 3, except that the actual expenditures used for calculations in 20-5-305 and 20-5-312 must be based on an amount prorated between the elementary and high school programs in the appropriate funds of each district in the year prior to the attachment of the districts."

Section 11. Section 20-9-104, MCA, is amended to read:

"20-9-104. ~~*(Temporary)*~~ **General fund operating reserve.** (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) ~~through (7)~~ *and (6)*, the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.

(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.

(3) Excess reserves as provided in subsection (5) may be appropriated to reduce the ~~permissive levy provided by 20-9-145 or to reduce the voted~~ *BASE budget levy, the over-BASE budget levy, or the additional* levy provided by 20-9-353, *except that districts with a balance on June 30, 1993, in the excess reserve account for Public Law 81-874 funds shall transfer the June 30, 1993, balance to the impact aid fund established in [section 41].*

(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).

(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:

~~(a) any amount received under Public Law 81-874;~~

~~(b)~~*(a)* the unused balance of any amount received:

(i) in settlement of tax payments protested in a prior school fiscal year;

(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and

(iii) in delinquent taxes from a prior school fiscal year; or

~~(c)~~*(b)* any amount received as a general bonus payment under 20-6-401.

(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.

~~(7) For fiscal year 1993, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than the amounts identified by a school district as one or more of the following:~~

~~(a) any amount received under Public Law 81-874;~~

~~(b) the unused balance of any amount received:~~

~~(i) in settlement of tax payments protested in a prior school fiscal year;~~

~~(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and~~

~~(iii) in delinquent taxes from a prior school fiscal year; or~~

~~(c) any amount received as a general bonus payment under 20-6-401.~~

~~20-9-104. *(Effective on occurrence of contingency)* General fund operating reserve. (1) At the end of each school fiscal year, the trustees of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) through (7), the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of the final general fund budget for the ensuing school fiscal year.~~

~~(2) The amount held as operating reserve may not be used for property tax reduction in the manner permitted by 20-9-141(1)(b) for other receipts.~~

~~(3) Any unreserved fund balance that is equal to or less than the prior year's excess reserves as provided in subsection (5) may be used to reduce the permissive levy provided by 20-9-145 or to reduce the voted levy provided by 20-9-353.~~

~~(4) Any portion of the general fund end-of-the-year fund balance that is not reserved under subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for property tax reduction as provided in 20-9-141(1)(b)(iii).~~

~~(5) For fiscal year 1994 and subsequent fiscal years, the limitation of subsection (1) does not apply when the amount in excess of the limitation is equal to or less than one or more of the following:~~

~~(a) any amount received under Public Law 81-874 in the current school fiscal year;~~

~~(b) the unused balance of any amount received:~~

~~(i) in settlement of tax payments protested in a prior school fiscal year;~~

~~(ii) in taxes from a prior school fiscal year as a result of a tax audit by the department of revenue or its agents; and~~

~~(iii) in delinquent taxes from a prior school fiscal year; or~~

~~(c) any amount received as a general bonus payment under 20-6-401.~~

~~(6) The limitation of subsection (1) does not apply when the amount earmarked as operating reserve is $10,000 or less.~~

~~(7) A district that received Public Law 81-874 money in a prior year and that must reduce its operating reserve to 10% pursuant to this section in the next school fiscal year may consider a percentage of the unreserved fund balance to be an excess amount as provided in subsection (5). The percentage of unreserved fund balance that may be considered an excess amount is the average of the 3 previous years' ratio of total district general fund revenue to Public Law 81-874 money received.~~"

Section 12. Section 20-9-113, MCA, is amended to read:

"**20-9-113. Preparation and adoption of preliminary budget by trustees.** (1) The trustees of ~~each~~ *a* district shall meet at their regular place of meeting at any time from February 1 through the fourth Monday in June, at the discretion of the board, to adopt a preliminary budget for the next ensuing school fiscal year. This budget meeting may be continued from day to day but ~~shall~~ *may* not exceed 5 days in total. Any taxpayer in the district may attend ~~such~~ *the* meeting and be heard in regard to the preliminary budget or any item or amount proposed to be included in ~~such~~ *the* budget. The preliminary budget ~~shall~~ *must* include all funds ~~which~~ *that* require the adoption of a budget and ~~which~~ *that* the trustees wish to utilize during the ensuing year.

(2) The proposed expenditures adopted as the preliminary budget ~~shall~~ *must* be entered on the appropriate portion of the budget form. The amount of the preliminary general fund budget for a district ~~shall~~ *may* not exceed the ~~foundation program of such~~ *maximum general fund budget for the* district except in the manner permitted by the laws of Montana. If any appropriation item of the preliminary budget provides for the payment of wages or salaries to more than one person, the district shall attach to the preliminary budget a separate listing of each position of employment with the budgeted amount of compensation for each position.

(3) After the adoption of the preliminary budget by the trustees, the ~~chairman~~ *presiding officer* of the trustees and the clerk of the district shall sign the budget form, and it shall constitute the preliminary budget for the district. The trustees shall send both copies of the adopted preliminary budget, with all appendages and any other information required by law, to the county superintendent on or before the fifth day after the fourth Monday of June.

(4) At least 2 weeks before the first meeting day on adoption of a preliminary budget for the ensuing school fiscal year, as required by this section, the trustees of a district shall publish a notice of the meeting at least one time in a newspaper of general circulation in the district. The notice must state that any taxpayer in the district may attend the meeting and be heard on the preliminary budget."

Section 13. Section 20-9-141, MCA, is amended to read:

"**20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the ~~amount established by the schedules in 20-9-316 through 20-9-321~~ *sum of direct state aid and the special education allowable cost payment for the district* by totaling:

(i) the district's nonisolated school ~~foundation program~~ *BASE budget* requirement to be met by a district levy as provided in 20-9-303; and

(ii) any ~~additional~~ general fund budget amount adopted by the trustees of the district under the provisions of ~~20-9-145~~ *[section 3]* and 20-9-353, including any additional ~~levies~~ *funding for a general fund budget that exceeds the maximum general fund budget* ~~authorized by the electors of the district~~.

(b) Determine the money available for the reduction of the property tax on the district for the general fund by totaling:

(i) general fund balance reappropriated, as established under the provisions of 20-9-104; and

(ii) amounts received in the last fiscal year for which revenue reporting was required for each:

~~(i) anticipated federal money received under the provisions of Title I of Public Law 81-874 or other anticipated federal money received in lieu of that federal act;~~

~~(ii) anticipated~~ *of the following sources:*

(A) tuition payments for out-of-district pupils under the provisions of 20-5-303, 20-5-307, 20-5-312, and 20-5-313;

~~(iii) general fund balance reappropriated, as established under the provisions of 20-9-104;~~

~~(iv)~~*(B)* ~~anticipated or reappropriated~~ state impact aid received under the provisions of 20-9-304;

~~(v)~~*(C)* ~~anticipated or reappropriated~~ revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

~~(vi)~~*(D)* ~~anticipated~~ net proceeds taxes for new production, as defined in 15-23-601;

~~(vii)~~*(E)* ~~anticipated~~ revenue from local government severance taxes as provided in 15-36-112;

~~(viii)~~*(F)* ~~anticipated~~ revenue from coal gross proceeds under 15-23-703;

~~(ix)~~*(G)* ~~anticipated interest to be earned or reappropriated~~ interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4);

~~(x)~~*(H)* ~~anticipated~~ revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702; and

~~(xi)~~*(I)* any other revenue ~~anticipated by the trustees to be~~ received during the ~~ensuing~~ school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid.

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any ~~additional~~ general fund budget amount adopted by the trustees of the district ~~as the permissive amount under the provisions of 20-9-145~~, *up to the BASE budget amount,* to determine the general fund ~~permissive net~~ *BASE budget* levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by *an over-BASE budget amount,* a district levy as provided in 20-9-303, and *any additional financing as provided in* 20-9-353 to determine ~~the~~ *any* additional general fund levy ~~requirement~~ *requirements*.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the district to finance the general fund ~~permissive net~~ levy requirement *for any amount that does not exceed the BASE budget amount for the district* by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the taxable valuation of the district divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the second Monday of August by the county superintendent as the ~~general fund permissive net levy requirement and the additional~~ general fund *net* levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142."

Section 14. Section 20-9-143, MCA, is amended to read:

"20-9-143. Allocation of federal funds in lieu of property taxation. Federal funds received by a district under the provisions of Title I of Public Law 81-874 or funds designated in lieu of such federal act by the congress of the United States ~~may~~ *must* be ~~allocated to the various operating budgets of the district by the trustees~~ *deposited in the impact aid fund established in [section 41]*."

Section 15. Section 20-9-162, MCA, is amended to read:

"20-9-162. Authorization for budget amendment adoption. (1) *(a)* Notwithstanding the provisions of subsections (2) and (3), a budget amendment may be adopted at any time of the school fiscal year, except that a budget amendment required by an enrollment increase ~~that could not have been anticipated at the time of the adoption of the regular budget~~ as provided in 20-9-161(1) may not be adopted until after October 1.

~~(2)~~*(b)* ~~If a budget amendment for the reasons provided in 20-9-161(1) through (4) does not cause the district general fund budget to exceed the~~

~~limitations in 20-9-315, the~~ *The* trustees may approve ~~the~~ *a* budget amendment *pursuant to 20-9-161(2) through (6)* by a resolution ~~as provided in 20-9-163~~.

(c) Whenever the trustees of a district decide that a budget amendment is necessary, they may proclaim the need for the budget amendment by a majority vote of the trustees. The proclamation must state the facts constituting the need for the budget amendment, the funds affected by the budget amendment, the anticipated source of financing, the estimated amount of money required to finance the budget amendment, and the time and place the trustees will meet for the purpose of considering and adopting the budget amendment for the current school fiscal year.

(2) The trustees shall send a copy of the ~~resolution~~ *proclamation* to the county superintendent and to the board of county commissioners of the county.

(3) The trustees shall submit ~~the following~~ *a budget amendment for an enrollment increase* to the superintendent of public instruction for approval in the manner provided in 20-9-163:

~~(a) a budget amendment for the reasons provided in 20-9-161(5) and (6); and~~

~~(b) a budget amendment for any reason provided in 20-9-161(1) through (4) that causes the district general fund budget to exceed the limitations in 20-9-315.~~"

Section 16. Section 20-9-163, MCA, is amended to read:

"20-9-163. Resolution for budget amendment — petition to superintendent of public instruction. (1) ~~Notwithstanding the provisions of subsection (3), whenever~~ *Whenever* the trustees of a district decide that a budget amendment is necessary *because of an enrollment increase*, they may *petition the superintendent of public instruction to* adopt a resolution ~~proclaiming~~ *for* the budget amendment. *The petition must be signed* by a majority ~~vote~~ of the trustees.

(2) The ~~budget amendment resolution must also~~ *petition must* state the facts constituting the need for the budget amendment, the estimated amount of money required to fund the budget amendment, the funds affected by the budget amendment, ~~and the time and place the board will meet for the purpose of considering and adopting a budget amendment for funds for the current school fiscal year~~ *the anticipated source of financing for the budget amendment, and the current year enrollment.*

~~(2) If the trustees of a school district determine that the proposed budget amendment will cause the district general fund to exceed the limitations of 20-9-315 or is for the reasons provided in 20-9-161(5) and (6), the trustees shall petition the superintendent of public instruction for permission to adopt a resolution for a budget amendment. The petition must set forth in writing the reasons for the request, the district funds affected by the budget amendment, the estimated amount of money required for the budget amendment for each affected fund, the anticipated sources of financing for the budget amendment expenditures, and any other information required by the superintendent of public instruction. The petition must be signed by a majority of the trustees.~~

(3) The superintendent of public instruction shall promptly approve or disapprove the petition requesting approval to adopt a resolution for a budget amendment *because of increased enrollment. If the petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the superintendent of public instruction shall adjust the district's maximum general fund budget based on the approved enrollment increase. Upon approval, a district may not adopt a budget amendment if the amount will cause the district to exceed the district's adjusted maximum general fund budget.* If the petition is approved, the trustees may adopt a resolution for a budget amendment and take all other steps required for the adoption of a budget amendment. Approval of a petition by the superintendent of public instruction authorizes the board of trustees to initiate a budget amendment by resolution and does not relieve the trustees of the necessity of complying with the requirements of the school budgeting laws. Approval of the petition may not be construed as approval of any subsequent application for increased state aid on account of the budget amendment."

Section 17. Section 20-9-201, MCA, is amended to read:

"20-9-201. Definitions and application. (1) As used in this title, unless the context clearly indicates otherwise, "fund" means a separate detailed account of receipts and expenditures for a specific purpose as authorized by law or by the superintendent of public instruction under the provisions of subsection (2). Funds are classified as follows:

(a) A "budgeted fund" means any fund for which a budget must be adopted in order to expend money from the fund. The general fund, transportation fund, bus depreciation reserve fund, tuition fund, retirement fund, debt service fund, building reserve fund, adult education fund, nonoperating fund, and any other funds designated by the legislature are budgeted funds.

(b) A "nonbudgeted fund" means any fund for which a budget is not required in order to expend money on deposit in the fund. The school food services fund, miscellaneous programs fund, building fund, lease or rental agreement fund, traffic education fund, interlocal cooperative fund, internal service fund, *impact aid fund,* enterprise fund, agency fund, extracurricular fund, metal mines tax reserve fund, endowment fund, and any other funds designated by the legislature are nonbudgeted funds.

(2) The school financial administration provisions of this title apply to all money of any elementary or high school district. Elementary and high school districts shall record the receipt and disbursement of all money in accordance with generally accepted accounting principles. The superintendent of public instruction has general supervisory authority as prescribed by law over the school financial administration provisions, as they relate to elementary and high school districts. The superintendent of public instruction shall adopt rules necessary to secure compliance with the law.

(3) Except as otherwise provided by law, whenever the trustees of a district determine that a fund is inactive and will no longer be used, the trustees shall close the fund by transferring all cash and other account balances to the general fund if the fund does not have a cash or fund balance deficit."

Section 18. Section 20-9-303, MCA, is amended to read:

"20-9-303. ~~Definition of foundation program — nonisolated school foundation program financing~~ *Nonisolated school BASE budget funding* — special education funds. (1) ~~As used in this title, the term "foundation program" means the minimum expenditures that are sufficient to provide for the educational program of a school. The foundation program relates only to those expenditures authorized by a district's general fund budget and may not include expenditures from any other fund. It is financed by:~~

~~(a) county equalization money, as provided in 20-9-331 and 20-9-333;~~

~~(b) state equalization aid, as provided in 20-9-343;~~

~~(c) appropriations for special education; and~~

~~(d) a district levy as provided in subsection (3) for support of a school not approved as an isolated school under the provisions of 20-9-302.~~

~~(2) The foundation program includes:~~

~~(a) amounts in support of general education programs as provided in the schedules in 20-9-316 through 20-9-320; and~~

~~(b) payments in support of special education programs under 20-9-321.~~

~~(3)~~ An elementary school ~~having~~ *that has* an ANB of nine or fewer pupils for 2 consecutive years ~~which~~ *and that* is not approved as an isolated school under the provisions of 20-9-302 may budget and spend the ~~schedule~~ *BASE budget* amount, but the county and state shall ~~participate in financing~~ *provide* one-half of the ~~foundation program~~ *direct state aid*, and the district shall finance the remaining one-half *of the direct state aid* by a tax levied on the property of the district. When a school of nine or fewer pupils is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing of the total amount of the ~~foundation program~~ *direct state aid*.

~~(4)~~*(2)* Funds provided to support the special education ~~accounting budget~~ *program* may be expended only for special education purposes as approved by the superintendent of public instruction in accordance with the special education budgeting provisions of this title. Expenditures for special education must be accounted for separately from *and in addition to* the balance of the school district general fund *budgeting requirements provided in [sections 2 and 3]*. ~~Transfers between items within the special education budget for accounting purposes may be made at the discretion of the board of trustees in accordance with the financial administration part of this title.~~ The ~~unexpended balance~~ *amount* of the special education ~~accounting budget carries over to the next year to~~ *allowable cost payments that is not matched with district funds, as required in 20-9-321, will* reduce ~~the amount of funding required to finance~~ *by a like amount* the district's ensuing year's ~~foundation program~~ *allowable cost* ~~amount~~ *payment* for special education."

Section 19. Section 20-9-305, MCA, is amended to read:

"20-9-305. Proration and calculation of ~~foundation~~ *BASE funding* program for a joint district. (1) In joint districts, the ~~foundation program shall~~ *direct state aid of a joint district must* be prorated among the counties in which any part of the joint district is located for the purpose of determining the

amount of each source of revenue for the ~~foundation program~~ *direct state aid* for which each county is obligated. The proration of the joint district ~~foundation program shall~~ *direct state aid must* be calculated as follows:

(a) Divide the joint district ~~foundation program~~ *direct state aid* by the ANB of the joint district to determine the per-ANB amount of the ~~foundation program~~ *direct state aid*.

(b) Determine the ANB for each county's portion of the joint district on the basis of each pupil's resident county. When taken together, the sum of the ANB assigned to all the counties ~~shall~~ *must* equal the total ANB for the joint district.

(c) Multiply the per-ANB amount of the ~~foundation program~~ *direct state aid* determined in subsection (1)(a) by the ANB for each county's portion, as determined in subsection (1)(b), to determine the portion of the ~~foundation program~~ *direct state aid* for each county.

(2) The portion of a joint district ~~foundation program~~ *direct state aid* for each county, as determined in subsection (1)(c) ~~of this section, shall be considered as~~ *is* a separate ~~foundation program~~ *direct state aid amount* in ~~such~~ *the* county for the purposes of calculating the various revenues for the ~~foundation~~ *BASE funding* program. After the calculation of the ~~foundation program~~ *direct state aid* revenues, the remainder of the general fund revenues ~~shall~~ *must* be calculated in accordance with the provisions for general fund financing."

Section 20. Section 20-9-311, MCA, is amended to read:

"20-9-311. Calculation of average number belonging (ANB). (1) Average number belonging *(ANB)* must be computed ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180. However, when~~ *as follows:*

(a) count the regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year; and

(b) multiply the enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school year and divide by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) When a school district has approval to operate less than 180 school days under 20-9-804, the total *ANB* must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days and 7 pupil-instruction-related days.~~

(4) ~~Attendance~~ *Enrollment* for a part of a morning session or a part of an afternoon session by a pupil must be counted as ~~attendance~~ *enrollment* for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), ~~attendance~~ *enrollment* at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ *must* be counted as one-half ~~day attended or absent as the case may be~~ *pupil for ANB purposes.* If a variance has been granted as provided in 20-1-302, ANB ~~will~~ *must* be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB *for a kindergarten student may not* exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, ~~including pupil instruction related days, his~~ *the absence after the 10th day of absence pupil* may not be included in the ~~aggregate days of absence and his enrollment in the school may not be considered in the~~ *count* calculation of the ~~average number belonging~~ *ANB* ~~until he resumes attendance at school~~ *unless the pupil resumes attendance prior to the day of the enrollment count.*

(7) The enrollment of prekindergarten pupils, as provided for in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

(8) If a student spends less than half the time in the regular program and the balance of the time in school in the special education program, the student is considered a full-time special education pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of the time in school in the regular program and the balance of the time in the special education program, the student is considered regularly enrolled for ANB purposes.

~~(3)~~*(9)* The ~~average number belonging~~ *ANB* of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) ~~(i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes; or~~

~~(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes;~~

(i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or town located in the district and at least 20 miles from any other school of the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes, and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(ii) a school of the district is located more than 20 miles from any other school of the district and no incorporated territory is involved in the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes, and the district must receive a basic entitlement for the school calculated separately from the other schools of the district; or

(iii) the superintendent of public instruction approves an application not to aggregate when conditions exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to travel, or when any other condition exists that would result in an unusual hardship to the pupils of the school if they were transported to another school, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes, and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(b) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

(c) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

(d) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the ~~foundation~~ *BASE funding* program for the district.

~~(4)~~*(10)* When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(11) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent of public instruction."

Section 21. Section 20-9-314, MCA, is amended to read:

"20-9-314. Procedures for determining eligibility and amount of increased average number belonging due to unusual enrollment increase. A district that anticipates an unusual increase in enrollment in the ensuing school fiscal year, as provided for in 20-9-313(4), may increase its ~~foundation program~~ *basic entitlement and total per-ANB entitlement* for the ensuing school fiscal year in accordance with the following provisions:

(1) Prior to May 10, the district shall estimate the elementary or high school enrollment to be realized during the ensuing school fiscal year, based on as much factual information as may be available to the district.

(2) No later than May 10, the district shall submit its application for an unusual enrollment increase by elementary or high school level to the superintendent of public instruction. The application must include:

(a) the enrollment for the ~~preceding~~ *current* school fiscal year;

(b) the average number belonging used to calculate the ~~foundation program schedule amount~~ *basic entitlement and total per-ANB entitlement* for the current school fiscal year;

(c) the average number belonging that will be used to calculate the ~~foundation program schedule amount~~ *basic entitlement and total per-ANB entitlement* for the ensuing school fiscal year;

(d) the estimated enrollment, including the factual information on which the estimate is based, as provided in subsection (1); and

(e) any other information or data that may be requested by the superintendent of public instruction.

(3) The superintendent of public instruction shall immediately review all the factors of the application and shall approve or disapprove the application or adjust the estimated average number belonging for the ensuing ANB calculation period. After approving an estimate, with or without adjustment, the superintendent of public instruction shall:

(a) determine the percentage increase that the estimated enrollment increase is over the current enrollment; and

(b) approve an increase of the average number belonging used to establish the ensuing year's ~~foundation program~~ *basic entitlement and total per-ANB entitlement* in accordance with subsection (5) if the increase in subsection (3)(a) is at least 6%.

(4) The superintendent of public instruction shall notify the district of the decision by the fourth Monday in June.

(5) Whenever an unusual enrollment increase is approved by the superintendent of public instruction, the increase of the average number belonging used to establish the ~~foundation program~~ *basic entitlement and total per-ANB entitlement* for the ensuing ANB calculation period is the difference between the enrollment for the ensuing school fiscal year and 106% of the current enrollment. The amount determined is the maximum allowable increase added to the average number belonging for the purpose of establishing the ensuing year's ~~foundation program~~ *basic entitlement and total per-ANB entitlement.*

(6) Any ~~equalization or~~ entitlement increases resulting from provisions of this section must be reviewed at the end of the ensuing school fiscal year. If the actual enrollment is less than the average number belonging used for ~~foundation~~ *BASE funding* program and entitlement calculations, the superintendent of public instruction shall revise the ~~foundation program and~~ *total per-ANB* entitlement calculations using the actual average number belonging. All ~~pay-~~

~~ments~~ *total per-ANB entitlements* received by the district in excess of the revised entitlements are overpayments subject to the refund provisions of 20-9-344(3)."

Section 22. Section 20-9-321, MCA, is amended to read:

"20-9-321. ~~Foundation program~~ *Allowable cost payment* and contingency funds for special education. (1) For the purpose of establishing the ~~foundation program~~ *allowable cost* ~~amount~~ *payment* for a current year special education program for a school district, the superintendent of public instruction shall determine the total estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program:

(a) the estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431;

(b) the number of pupils expected to be enrolled in the program; and

(c) any other data required by the superintendent of public instruction for budget justification purposes and to administer the provisions of ~~20-9-315 through 20-9-321~~ *this section.*

(2) The total amount of allowable costs approved by the superintendent of public instruction is the special education ~~foundation program~~ *allowable cost* ~~amount~~ *payment* for current year special education program purposes. ~~The total amount of allowable costs that are approved for the special education budget may not, under any condition, be less than the foundation program amount for one regular ANB for each full-time special pupil in the school district.~~

~~(3) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in subsection (4).~~

~~(4)~~*(3)* If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district ~~foundation program~~ *general fund budget* for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. ~~However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the foundation program amount for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.~~

~~(5)~~*(4)* (a) The special education contingency funds in subsection ~~(4)~~ *(3)*:

(i) are biennially appropriated;

(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and

(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.

(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.

~~(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program amount for special education must be added to the foundation program amount of the regular program ANB defined in 20-9-311 and 20-9-313 to obtain the total foundation program amount for the district.~~"

Section 23. Section 20-9-321, MCA, is amended to read:

"20-9-321. ~~Foundation program and contingency funds~~ *Allowable cost payment* for special education. (1) For the purpose of establishing the ~~foundation program amount~~ *allowable cost payment* for a current year special education program for a school district, the superintendent of public instruction shall determine the total ~~estimated cost of the special education program for the school district on the basis of a special education program budget submitted by the district. The budget must be prepared on forms provided by the superintendent of public instruction and must set out for each program~~ *special education payment to a school district, cooperative, or joint board for special education services formed under 20-3-361 prior to July 1, 1992, using the following factors*:

(a) the ~~estimated allowable costs associated with operating the program where allowable costs are as defined in 20-7-431~~ *district ANB student count as established pursuant to 20-9-311 and 20-9-313*;

(b) ~~the number of pupils expected to be enrolled in the program~~ *a per-ANB amount for the special education instructional block grant*; ~~and~~

(c) a per-ANB amount for the special education related services block grant;

(d) weighted cost factors for cooperatives or joint boards meeting the requirements of 20-7-457, to compensate for the additional costs of operations and maintenance, travel, supportive services, recruitment, and administration;

(e) district and cooperative expenditure reports; and

~~(e)~~*(f)* any other data required by the superintendent of public instruction ~~for budget justification purposes and~~ to administer the provisions of ~~20-9-315 through 20-9-321~~ *this section.*

(2) ~~The total amount of allowable costs approved by the superintendent of public instruction is the special education foundation program amount for current year special education program purposes. The total amount of allowable costs that are approved for the special education budget may not, under any condition, be less than the foundation program amount for one regular ANB for each full time special pupil in the school district.~~ *Special education allowable cost payments must be granted to each school district and cooperative with a special education program as follows:*

(a) An instructional block grant must be awarded to each school district, based on the district ANB and the per-ANB special education instructional amount.

(b) A special education related services block grant must be awarded to each school district that is not a cooperative member, based on the district ANB and the per-ANB special education related services amount. The special education related services block grant amount for districts that are members of approved cooperatives or a joint board must be awarded to the cooperatives or joint board. If a cooperative or joint board meets the requirements of 20-7-457, the special education related services block grant must be weighted for the factors in subsection (1)(d).

(3) The superintendent of public instruction shall annually determine the per-ANB special education instructional and special education related services block grant amounts based on the prior years' trustees' expenditure data for special education instruction and related services.

(4) The superintendent of public instruction shall adopt rules necessary to implement this section.

(5) A district shall provide a 25% local contribution for special education, matching every $3 of state special education instructional and special education related services block grants with at least one local dollar. A district that is a cooperative member is required to provide the 25% match of the special education related services grant amount to the special education cooperative, but the district is not required to match the weighted funding factors.

(6) The superintendent of public instruction shall determine the actual district match based on the trustees' reports. Any unmatched portion reverts to the state and must be subtracted from the district's ensuing year's special education allowable cost payment.

(7) If a district's allowable costs of special education, as verified by the trustees' reports, exceed by at least 10% the total of the special education instructional and special education related services block grant plus the required district match, the district is eligible for a 65% reimbursement of the costs that exceed the additional 10%. A district that demonstrates severe economic hardship because of exceptional special education costs may apply to the superintendent of public instruction for an advance on the reimbursement for the year in which the actual costs will be incurred.

~~(3) Any amount of the special education allowable costs for a district approved under the provisions of subsection (2) that is an increase in the approved allowable costs from the previous school fiscal year and is a result of~~

~~expanded programs or recalculations of the special education allowable costs base may be deposited and managed in the separate account of the miscellaneous programs fund of the district that is prescribed in subsection (4).~~

~~(4) If a special education program is implemented or expanded during a given school term too late to be included in the determination of the district foundation program for the school year as prescribed in this part, allowable costs approved under the budgeting provisions of subsections (1) and (2) for the operation of the program during the given year must be funded from any legislative appropriation for contingency financing for special education. Contingency funds granted under this subsection must be deposited in a separate account of the miscellaneous programs fund of the district as provided in 20-9-507. However, if contingency funds are not available, then subject to the approval of the program by the superintendent under the budget amendment provisions of 20-9-161(6), allowable costs for the given year may be funded in the miscellaneous programs fund by other revenue sources and added to the foundation program amount for special education for the subsequent school year under the provisions of 20-9-147. The allowable costs must be recorded as previous year special education expenses in the school district budget for the subsequent school year.~~

~~(5) (a) The special education contingency funds in subsection (4):~~

~~(i) are biennially appropriated;~~

~~(ii) are for emergencies that may arise in the special education programs of school districts or special education cooperatives; and~~

~~(iii) may be used to fund positions that have gone unfilled for a full school fiscal year and for which state special education funds were not awarded.~~

~~(b) The board of trustees of a district or the management board of a special education cooperative may apply for contingency funding by submitting to the superintendent of public instruction, in the form prescribed by the superintendent of public instruction, written documentation that describes the need for the funds.~~

~~(6) The sum of the previous year special education expenses as defined in subsections (3) and (4) and the foundation program amount for current year special education as defined in subsections (1) and (2) is the special education budget for accounting purposes.~~

~~(7) The foundation program amount for special education must be added to the foundation program amount of the regular program ANB defined in 20-9-311 and 20-9-313 to obtain the total foundation program amount for the district.~~"

Section 24. Section 20-9-343, MCA, is amended to read:

"20-9-343. *(Temporary)* **Definition of and revenue for state equalization aid.** (1) As used in this title, the term "state equalization aid" means the money deposited in the state special revenue fund as required in this section plus any legislative appropriation of money from other sources for:

(a) distribution to the public schools for the payment of guaranteed tax base aid and for equalization of the foundation program;

(b) the Montana educational telecommunications network as provided in 20-32-101; and

(c) filing fees for school district audits as required by 2-7-514(2).

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid, as required by subsections (1)(a) and (1)(b), throughout the biennium.

(3) The following must be paid into the state special revenue fund for state equalization aid to public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding biennium. *(Terminates June 30, 1993—sec. 5, Ch. 729, L. 1991.)*

20-9-343. *(Effective July 1, 1993)* **Definition of and revenue for state equalization aid.** (1) As used in this title, the term "state equalization aid" means the ~~money deposited~~ *account* in the state special revenue fund *that receives revenue* as required in this section plus any legislative appropriation of money from other sources for distribution to the public schools for the purposes of payment of ~~guaranteed tax base aid and equalization of the foundation program~~ *systems development and other related costs resulting from the enactment of legislation that requires changes to the automated system used to*

administer the BASE funding program, guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and matching funds for the systemic initiative for Montana mathematics and science grant and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend funds appropriated ~~for~~ *from the* state equalization aid *account* as required for the purposes of ~~guaranteed tax base aid, the foundation~~ *systems development and other related costs resulting from the enactment of legislation that requires changes to the automated system used to administer the BASE funding program, guaranteed tax base aid, BASE aid for the BASE funding* program, *state reimbursement for school facilities,* and the Montana educational telecommunications network, throughout the biennium, *and for the biennium beginning July 1, 1993, equipment purchases that qualify as the state match for the systemic initiative for Montana mathematics and science grant.*

(3) The following must be paid into the ~~state special revenue fund for~~ state equalization aid ~~to~~ *account for the* public schools of the state:

(a) money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;

(b) except as provided in 15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;

(c) money allocated to state equalization from the collection of the severance tax on coal;

(d) money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

(e) interest and income money described in 20-9-341 and 20-9-342;

(f) money received from the state equalization aid levy under 20-9-360;

(g) income from the lottery, as provided in 23-7-402;

(h) the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333;

(i) investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

(j) 15% of the income and earnings of all coal severance tax funds as provided in 17-5-704.

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account ~~in the second year of a biennium may be used to reduce any appropriation required for the next succeeding biennium~~ *at the end of a fiscal year must be transferred to the general fund.*"

Section 25. Section 20-9-344, MCA, is amended to read:

"**20-9-344. ~~Purpose of state equalization aid and duties~~ *Duties* of board of public education for distribution *of BASE aid.*** (1) ~~The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ *BASE* aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ *BASE* aid and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ *BASE* aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ *BASE* aid, the board of public education may not increase or decrease the ~~state equalization~~ *BASE* aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~*(2)* The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ *BASE* aid ~~or order the county superintendent of schools to withhold county equalization money~~ from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~*(3)* Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ *BASE* aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~*(4)* If a district or county receives more ~~state equalization~~ *BASE* aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~*(5)* Except as provided in 20-9-347(3), the ~~foundation program payment and guaranteed tax base~~ *BASE* aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ *October* of the school fiscal year, ~~8%~~ *10%* of the ~~foundation program payment~~ *direct state aid* to each district;

(b) from December to April of the school fiscal year, 10% of the direct state aid to each district;

~~(b)~~*(c)* in November of the school fiscal year, one-half of the guaranteed tax base aid payment to each district or county *that has submitted a final budget to the superintendent of public instruction in accordance with the provisions of 20-9-134*;

~~(c)~~*(d)* in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district or county; and

~~(d)~~*(e)* in June of:

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, *one-half of* the remaining ~~foundation program~~ payment to each district *of direct state aid and on the following July 15, the remaining payment to each district of direct state aid for the school fiscal year ending on the preceding June 30.*

~~(7)~~*(6)* The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~*(5)* must occur by the last working day of each month."

Section 26. Section 20-9-346, MCA, is amended to read:

"20-9-346. Duties of the superintendent of public instruction for state *and county* equalization aid distribution. The superintendent of public instruction shall administer the distribution of the state *and county* equalization aid by:

(1) establishing the annual entitlement of each district and county to state *and county* equalization aid, based on the data reported in the retirement and general fund budgets for each district that have been duly adopted for the current school fiscal year and verified by the superintendent of public instruction ~~and by applying the verified data under the provisions of the state equalization aid allocation procedure prescribed in 20-9-347~~;

(2) for the purposes of state reimbursements for school facilities, limiting the distribution from the state equalization aid account to no more than $1 million for the school fiscal year ending June 30, 1994, and to no more than $2 million for the biennium ending June 30, 1995, to the districts that are eligible under the provisions of 20-9-366 through 20-9-369 and [sections 38 and 39] by:

(a) determining by May 1 of each school fiscal year the number of mills levied in each district for debt service on bonds that were issued as provided in [section 38(2)(b)(i) or (2)(b)(ii)] and that qualify for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369 and [section 38];

(b) based on the limitation of state equalization aid available for debt service purposes in this subsection (2), determining the percentage of state equalization aid that each eligible district must receive for the school fiscal year;

(c) distributing that amount to each eligible district for reducing the property tax for the debt service fund for the ensuing school fiscal year; and

(d) at the end of the school fiscal year ending June 30, 1994, determining whether there is an unused portion of the amount of state equalization aid appropriated in this subsection (2) to be carried into the next school fiscal year for the purposes of this subsection (2).

~~(2)~~*(3)* distributing by ~~state warrant or~~ electronic transfer the ~~state equalization~~ *BASE* aid and state advances for county equalization, for each district or county entitled to the aid, to the county treasurer of the respective county or county where the district is located, in accordance with the distribution ordered by the board of public education;

~~(3)~~*(4)* keeping a record of the full and complete data concerning money available for state equalization aid, state advances for county equalization, and the entitlements for ~~state equalization~~ *BASE* aid of the districts of the state;

~~(4)~~*(5)* reporting to the board of public education the estimated amount that will be available for state equalization aid; and

~~(5)~~*(6)* reporting to the legislature as provided in 5-11-210:

(a) the figures and data available concerning distributions of state *and county* equalization aid during the preceding 2 school fiscal years;

(b) the amount of state equalization aid then available;

(c) the apportionment made of the available money but not yet distributed;

(d) the latest estimate of accruals of money available for state equalization aid; and

(e) the amount of state advances and repayment for county equalization."

Section 27. Section 20-9-347, MCA, is amended to read:

"20-9-347. ~~Formula for~~ *Distribution of* ~~state equalization~~ *BASE* aid ~~apportionment~~ *and special education allowable cost payments* in support of ~~foundation~~ *BASE funding* program — exceptions. ~~(1) The superintendent of public instruction shall apportion the state equalization aid available for support of the foundation program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:~~

~~(a) Determine the percentage that the total funds available to all counties in the state in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all counties.~~

~~(b) Determine the percentage that the total funds available in each county in support of the foundation programs in the county (excluding state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all districts of the county.~~

~~(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the foundation program.~~

~~(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all remaining counties.~~

~~(e) Each district of each remaining county is entitled to an apportionment of the state equalization aid in support of the foundation program equal to the difference between the percentage determined in subsection (1)(d) and the percentage determined for the county in subsection (1)(b) multiplied by the foundation program amount for the district.~~

~~(2)~~*(1)* The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a *monthly* report of the ~~apportionments~~ *payment* of ~~state equalization~~ *BASE* aid in support of the ~~foundation~~ *BASE funding* program of each district of the county~~, and the state equalization aid in support of the foundation program must be apportioned to the districts in accordance with the report~~;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection ~~(2)(b)~~ *(1)(b)*.

~~(3)~~*(2)* (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ *BASE* aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~*(8)*.

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ *This* section may *not* be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state~~ *BASE aid* ~~and county equalization aid~~.

(3) The superintendent of public instruction shall:

(a) distribute special education allowable cost payments to districts; and

(b) supply the county treasurer and the county superintendent of public instruction with a report of payments for special education allowable costs to districts of the county."

Section 28. Section 20-9-351, MCA, is amended to read:

"20-9-351. Funding of deficiency in ~~state equalization~~ *BASE* aid. If the money available for ~~state equalization~~ *BASE* aid is not the result of a reduction in spending under 17-7-140 and is not sufficient to provide the ~~foundation program schedule support determined in 20-9-348 and the~~ guaranteed tax base aid required under 20-9-366 through 20-9-369 *and BASE aid support determined under 20-9-347*, the superintendent of public instruction shall request the budget director to submit a request for a supplemental appropriation in the second year of the biennium that is sufficient to complete the funding of ~~guaranteed tax base aid and the foundation programs of the elementary or secondary schools, or both,~~ *BASE aid for the elementary and high school districts* for the current biennium."

Section 29. Section 20-9-353, MCA, is amended to read:

"20-9-353. Additional ~~levy~~ *financing* for general fund — election for authorization to impose. (1) Except as limited by ~~20-9-315(2)~~ *[section 3]*, the trustees of a district may propose to adopt a general fund budget in excess of the ~~foundation program and the permissive~~ *maximum general fund budget* amount for the district ~~for any of the following purposes:~~

~~(a) building, altering, repairing, or enlarging any schoolhouse of the district;~~

~~(b) furnishing additional school facilities for the district;~~

~~(c) acquisition of land for the district;~~

~~(d) proper maintenance and operation of the school programs of the district; or~~

~~(e) severance pay for district employees~~.

(2) ~~When~~ *Except as provided in [section 3(4)(b)], when* the trustees of a district determine that an additional amount of financing is required for the general fund budget that is in excess of the ~~statutory schedule amount and the permissive~~ *maximum general fund budget* amount, the trustees shall submit the proposition ~~of an additional levy to raise~~ *to finance* the excess amount of general fund financing to the electors who are qualified under 20-20-301 to vote upon the proposition~~, except that an election is not required to permit the school trustees to use any funds available to finance the additional amount other than those funds to be raised by the additional levy~~. The special election must be called and conducted in the manner prescribed by this title for school elections. The ballot for the election must state ~~only~~ the amount of money to be ~~raised by additional property taxation~~ *financed*, the approximate number of mills required to raise *all or a portion of* the money, and the purpose for which the money will be expended. The ballot must be in the following format:

PROPOSITION

Shall ~~a levy be made in addition to the levies authorized by law in the number of mills as may be necessary~~ *the district be authorized* to ~~raise~~ *expend* the sum of (state the amount to be ~~raised~~ *expended* ~~by additional tax levy~~), and being approximately (give number) mills, for the purpose of (insert the purpose for which the additional ~~tax levy~~ *financing* is made)?

☐ FOR ~~the~~ *budget authority and any* levy.

☐ AGAINST ~~the~~ *budget authority and any* levy.

(3) If the election on any additional ~~levy~~ *financing* for the general fund is approved by a majority vote of the electors voting at the election, the proposition carries and the trustees may use any portion or all of the authorized amount in adopting the preliminary general fund budget. The trustees shall certify ~~the~~ *any* additional levy amount authorized by the special election on the budget form that is submitted to the county superintendent, and the county commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the district, as prescribed in 20-9-141, to raise the amount of the additional levy.

(4) Authorization to levy an additional tax under the provisions of this section is effective for only 1 school fiscal year and must be authorized by a special election conducted before August 1 of the school fiscal year for which it is effective.

(5) If the trustees of a district are required to submit a proposition to finance a base budget amount, as provided in [section 3(2)(b)], or an over-BASE budget amount, as provided in [section 3(3)(b)], to the electors of the district, the trustees shall comply with the provisions of subsections (2) through (4)."

Section 30. Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

(1) "County retirement mill value per elementary ANB" or "county retirement mill value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ *total per-ANB entitlement* amounts.

(2) *(a) "District guaranteed tax base ratio" for guaranteed tax base funding for the BASE budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid and 40% of the special education allowable cost payment.*

(b) "District mill value per ANB", *for school facility entitlement purposes,* means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation program~~ *total per-ANB entitlement* amount.

~~(3) "Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~*(a)* "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for ~~permissive and~~ *school facility entitlement and* retirement guaranteed tax base purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ *total per-ANB entitlement* amounts.

(b) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base ratio", for guaranteed tax base funding for the BASE budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175% and divided by the total sum of either the state elementary school districts' or the high school districts' current year total direct state aid and 40% of special education allowable cost amounts."

Section 31. Section 20-9-367, MCA, is amended to read:

"20-9-367. Eligibility to receive guaranteed tax base aid. (1) If the district ~~mill value per ANB~~ *guaranteed tax base ratio* of any elementary or high school district is less than the corresponding statewide ~~district mill value per elementary ANB or high school ANB~~ *elementary or high school guaranteed tax base ratio,* the district may receive guaranteed tax base aid based on the number of mills levied in the district in support of ~~its permissive amount of the~~ *up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement, and up to 40% of the special education allowable cost payment budgeted within the* general fund budget.

(2) If the county retirement mill value per elementary ANB or *the* county retirement mill value per high school ANB is less than the corresponding statewide ~~county~~ mill value per elementary ANB or high school ANB, the county may receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county.

(3) For the purposes of [sections 38 and 39], if the district mill value per elementary ANB or the district mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or statewide mill value per high school ANB, the district may receive guaranteed tax base aid based on the number of mills levied in support of the debt service fund."

Section 32. Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid — reversion. (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the

statewide ~~county~~ mill value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide ~~county~~ mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.

(3) The amount of guaranteed tax base aid ~~per ANB~~ that a district may receive in support of ~~its permissive amount of the~~ *up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted within the* general fund budget, *and up to 40% of the special education payment* is ~~the difference between the district mill value per ANB and the corresponding statewide district mill value per ANB, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ *calculated in the following manner:*

(a) multiply the sum of the district's direct state aid and 40% of the special education allowable cost payment by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (3)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

(4) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

Section 33. Section 20-9-311, MCA, is amended to read:

"20-9-311. Calculation of average number belonging (ANB). (1) Average number belonging *(ANB)* must be computed ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180~~ *as follows:*

(a) compute an average enrollment by adding a count of regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divided by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) ~~However, when~~ *When* a school district has approval to operate less than 180 school days under 20-9-804, the total *ANB* must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days and 7 pupil-instruction-related days.~~

(4) ~~Attendance~~ *Enrollment* for a part of a morning session or a part of an afternoon session by a pupil must be counted as ~~attendance~~ *enrollment* for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), ~~attendance~~ *enrollment* at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ *must* be counted as one-half ~~day attended or absent as the case may be~~ *pupil for ANB purposes*. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ *must* be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB *for a kindergarten student may not* exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, ~~including pupil-instruction-related days, his absence after the 10th day of absence~~ *the pupil* may not be included in the ~~aggregate days of absence and his~~ enrollment ~~in the school may not be considered~~ *count used* in the calculation of the ~~average number belonging until he resumes attendance at school~~ *ANB unless the pupil resumes attendance prior to the day of the enrollment count.*

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~*(8)* The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

~~(a) (i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes; or~~

~~(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes;~~

(a) (i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or town located in the district and at least 20 miles from any other school of the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(ii) a school of the district is located more than 20 miles from any other school of the district and no incorporated territory is involved in the district, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district; or

(iii) the superintendent of public instruction approves an application not to aggregate when conditions exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to travel, or when any other condition exists that would result in an unusual hardship to the pupils of the school if they were transported to another school, the number of regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes and the district must receive a basic entitlement for the school calculated separately from the other schools of the district;

(b) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

(c) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

(d) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~*(9)* When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled students and special education students, using a format determined by the superintendent."

Section 34. Section 20-9-369, MCA, is amended to read:

"20-9-369. Duties of superintendent of public instruction and department of revenue. (1) The superintendent of public instruction shall administer the distribution of guaranteed tax base aid by:

(a) providing each school district and county superintendent, by March 1 of each year, with the preliminary statewide *and district* ~~and county mill values per ANB~~ *guaranteed tax base ratios* and, by May 1 of each year, with the final statewide*, and* district~~, and county mill values per ANB~~ *guaranteed tax base ratios,* for use in calculating the guaranteed tax base aid available for the ensuing school fiscal year;

(b) providing each school district and county superintendent, by March 1 of each year, with the preliminary statewide, county, and district mill values per ANB and, by May 1 of each year, with the final statewide, county, and district mill values per ANB, for use in calculating the guaranteed tax base aid available to counties and districts for the ensuing school fiscal year;

~~(b)~~*(c)* requiring each county and district that qualifies and applies for guaranteed tax base aid to report to the county superintendent all budget and accounting information required to administer the guaranteed tax base aid;

~~(c)~~*(d)* keeping a record of the complete data concerning appropriations available for guaranteed tax base aid and the entitlements for ~~such~~ *the* aid of the counties and districts that qualify;

~~(d)~~*(e)* distributing the guaranteed tax base aid entitlement to each qualified county or district from the appropriations for that purpose.

(2) The superintendent shall adopt rules necessary to implement 20-9-366 through 20-9-369.

(3) The department of revenue shall provide the superintendent of public instruction by December 1 of each year a final determination of the taxable value of property within each school district and county of the state reported to the department of revenue based on information delivered to the county clerk and recorder as required in 15-10-305.

(4) For the purposes of implementing 20-9-366 through 20-9-368 and this section for the school fiscal year beginning July 1, 1993, the superintendent of public instruction shall estimate the direct state aid for a district for the school fiscal year beginning July 1, 1993, in order to calculate the district and statewide guaranteed tax base ratios for that school fiscal year. For succeeding school fiscal years, the superintendent of public instruction shall calculate the district and statewide guaranteed tax base ratios by applying the prior year's direct state aid payment."

Section 35. Section 20-9-406, MCA, is amended to read:

"20-9-406. Limitations on amount of bond issue. (1) (a) ~~The~~ *Except as provided in subsection (1)(c), the* maximum amount for which an elementary district or a high school district may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the taxable value of the property subject to taxation as ascertained by the last completed assessment for state, county, and school taxes previous to the incurring of the indebtedness~~, including:~~

~~(i) the taxable value of coal gross proceeds as determined for county bonding purposes in 15-23-703(2);~~

~~(ii) the taxable value of oil and gas net proceeds as determined for county bonding purposes in 15-23-607(3); and~~

~~(iii) the amount of the value of any other oil and gas production occurring after December 31, 1988, multiplied by 60%.~~

(b) ~~The~~ *Except as provided in subsection (1)(c), the* maximum amount for which a K-12 school district, as formed pursuant to 20-6-701, may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is up to 90% of the taxable value of the property subject to taxation as ascertained by the last-completed assessment for state, county, and school taxes previous to the incurring of the indebtedness. The total indebtedness of the high school district with an attached elementary district ~~as represented by the issuance of bonds~~ must be limited to the sum of 45% of the taxable value of the property for elementary school program purposes and 45% of the taxable value of the property for high school program purposes.

(c) The maximum amount for which an elementary district or a high school district that qualifies for guaranteed tax base aid under the provisions of 20-9-367 may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the corresponding statewide mill value per ANB times 1,000 times the ANB of the district. For a K-12 district, the maximum amount for which the district may become indebted is 45% of the sum of the statewide mill value per elementary ANB times 1,000 times the elementary ANB of the district and the statewide mill value per high school ANB times 1,000 times the high school ANB of the district.

(2) The maximum amounts determined in subsection (1), however, may not pertain to indebtedness imposed by special improvement district obligations or assessments against the school district or to bonds issued for the repayment of tax protests lost by the district. All bonds issued in excess of the amount are void, except as provided in this section.

(3) When the total indebtedness of a school district has reached the limitations prescribed in this section, the school district may pay all reasonable and necessary expenses of the school district on a cash basis in accordance with the financial administration provisions of this chapter.

(4) Whenever bonds are issued for the purpose of refunding bonds, any money to the credit of the debt service fund for the payment of the bonds to be refunded is applied toward the payment of the bonds and the refunding bond issue is decreased accordingly."

Section 36. Section 20-9-439, MCA, is amended to read:

"20-9-439. Computation of net levy requirement — procedure when levy inadequate. (1) The county superintendent shall compute the levy requirement for each school district's debt service fund on the basis of the following procedure:

(a) ~~determine~~ *Determine* the total money available in the debt service fund for the reduction of the property tax on the district by totaling:

(i) the end-of-the-year fund balance in the debt service fund, less any limited operating reserve as provided in 20-9-438;

(ii) anticipated interest to be earned by the investment of debt service cash in accordance with the provisions of 20-9-213(4) or by the investment of bond proceeds under the provisions of 20-9-435;

(iii) any state reimbursement for school facilities distributed to a qualified district under the provisions of 20-9-346, [section 38], and [section 39]; and

~~(iii)~~*(iv)* any other money, *including money from federal sources,* anticipated by the trustees to be available in the debt service fund during the ensuing school fiscal year from such sources as legally authorized money transfers into the debt service fund or from rental income, *excluding any guaranteed tax base aid.*;

(b) ~~the~~ *Subtract the* total amount available to reduce the property tax, determined in subsection (1)(a), ~~must be subtracted~~ from the final budget ~~expenditure amount~~ for the debt service fund as established in 20-9-438;.

~~(c)~~*(2)* ~~the~~ *The* net debt service fund levy requirement determined in subsection (1)(b) must be reported to the county commissioners on the second Monday of August by the county superintendent as the net debt service fund levy requirement for the district, and a levy must be made by the county commissioners in accordance with 20-9-142.

~~(2)~~*(3)* If the board of county commissioners fails in any school fiscal year to make a levy for any issue or series of bonds of a school district sufficient to raise the money necessary for payment of interest and principal becoming due during the next ensuing school fiscal year, in any amounts established under the provisions of this section, the holder of any bond of the issue or series or any taxpayer of the district may apply to the district court of the county in which the school district is located for a writ of mandate to compel the board of county commissioners of the county to make a sufficient levy for such purposes. If, upon the hearing of the application, it appears to the satisfaction of the court that the board of county commissioners of the county has failed to make a levy or has made a levy that is insufficient to raise the amount required to be raised as established in the manner provided in this section, the court shall determine the amount of the deficiency and shall issue a writ of mandate directed to and requiring the board of county commissioners, at the next meeting for the purpose of fixing tax levies for county purposes, to fix and make a levy against all taxable property in the school district that is sufficient to raise the amount of the deficiency. The levy is in addition to any levy required to be made at that time for the ensuing school fiscal year. Any costs that may be allowed or awarded the petitioner in the proceeding must be paid by the members of the board of county commissioners and may not be a charge against the school district or the county."

Section 37. Section 20-9-507, MCA, is amended to read:

"20-9-507. Miscellaneous programs fund. (1) The trustees of a district receiving money from local, state, federal, or other sources provided in 20-5-307(4)~~,~~ *and* 20-5-312(8)~~, and 20-9-321(3)~~ other than money under the

provisions of Title I of Public Law 81-874 or federal money designated for deposit in a specific fund of the district shall establish a miscellaneous programs fund for the deposit of the money. The money may be a reimbursement of miscellaneous program fund expenditures already realized by the district or may be a grant of money for the financing of expenditures to be realized by the district for a special, approved program to be operated by the district. When the money is a reimbursement, the money may be expended at the discretion of the trustees for school purposes. When the money is a grant, the money must be expended according to the conditions of the program approval by the superintendent of public instruction or any other approval agent. Within the miscellaneous programs fund, the trustees shall cause a separate accounting to be maintained for each federal grant program and for the aggregate of all reimbursement money.

(2) The financial administration of the miscellaneous programs fund must be in accordance with the financial administration provisions of this title for a nonbudgeted fund."

Section 38. **Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "School facility entitlement" means:

(a) $220 per ANB for an elementary school district;

(b) $330 per ANB for a high school district; or

(c) $270 per ANB for an approved and accredited junior high school or middle school.

(2) "State reimbursement for school facilities" means the amount of state equalization aid distributed to a district that:

(a) is eligible for guaranteed tax base aid under the provisions of 20-9-366 through 20-9-369; and

(b) (i) for the school fiscal years beginning July 1, 1993, and July 1, 1994, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991;

(ii) for the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, has outstanding bonded indebtedness on bonds sold in the debt service fund of the district in any year.

(3) "Total school facility entitlement" means the school facility entitlement times the total ANB for the district.

Section 39. **Calculation and uses of school facility entitlement amount.** (1) The state reimbursement for school facilities for a district is the percentage determined in 20-9-346(2)(b) times (1-(district mill value per ANB/statewide mill value per ANB)) times the lesser of the total school facility entitlement calculated under the provisions of [section 38] or the district's current year debt service obligations on bonds that qualify under the provisions of [section 38(2)(b)(i) or (2)(b)(ii)].

(2) For the school fiscal years beginning July 1, 1993, and July 1, 1994, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement for all outstanding bonded indebtedness on bonds sold in the debt service fund of the district after July 1, 1991.

(3) For the school fiscal year beginning July 1, 1995, and for succeeding school fiscal years, the trustees of a district may apply the state reimbursement for school facilities to reduce the levy requirement of all bonded indebtedness in the district debt service fund.

Section 40. Section 20-2-121, MCA, is amended to read:

"20-2-121. Board of public education — powers and duties. The board of public education shall:

(1) effect an orderly and uniform system for teacher certification and specialist certification and for the issuance of an emergency authorization of employment by adopting the policies prescribed by 20-4-102 and 20-4-111;

(2) consider the suspension or revocation of teacher or specialist certificates and appeals from the denial of teacher or specialist certification in accordance with the provisions of 20-4-110;

(3) administer and order the distribution of ~~state equalization~~ *BASE* aid in accordance with the provisions of 20-9-344;

(4) adopt and enforce policies to provide uniform standards and regulations for the design, construction, and operation of school buses in accordance with the provisions of 20-10-111;

(5) approve or disapprove a reduction of the number of hours in a district's school day in accordance with the provisions of 20-1-302;

(6) adopt policies prescribing the conditions when school may be conducted on Saturday and the types of pupil-instruction-related days and approval procedure for such days in accordance with the provisions of 20-1-303 and 20-1-304;

(7) adopt standards of accreditation and establish the accreditation status of every school in accordance with the provisions of 20-7-101 and 20-7-102;

(8) approve or disapprove educational media selected by the superintendent of public instruction for the educational media library in accordance with the provisions of 20-7-201;

(9) adopt policies for the conduct of special education in accordance with the provisions of 20-7-402;

(10) adopt rules for issuance of documents certifying equivalency of completion of secondary education in accordance with 20-7-131;

(11) adopt policies for the conduct of programs for gifted and talented children in accordance with the provisions of 20-7-903 and 20-7-904;

(12) adopt rules for student assessment in the public schools; and

(13) perform any other duty prescribed from time to time by this title or any other act of the legislature."

Section 41. **Impact aid fund.** (1) The trustees of a district that receives federal funds under the provisions of Title I of Public Law 81-874 shall establish an impact aid fund. Money received under the provisions of Public Law 81-874 must be deposited with the county treasurer to the credit of the impact aid fund.

(2) The expenditure of money from the impact aid fund must be made pursuant to Title I of Public Law 81-874. The impact aid fund must be administered pursuant to the financial administration provisions of this title for nonbudgeted funds.

Section 42. Section 20-9-165, MCA, is amended to read:

"20-9-165. Budget amendment limitation, preparation, and adoption procedures. (1) The meeting of the trustees to consider and adopt a budget amendment must be open to the public, and any taxpayer in the district has the right to appear and be heard. If at the meeting a majority of the trustees present find that there is sufficient need for a budget amendment, the trustees may make and adopt a preliminary budget amendment, ~~on the regular budget form,~~ setting forth fully the facts constituting the need for the budget amendment. In adopting the preliminary budget amendment, the trustees may budget for any fund that was included on the final budget of the district for the current school fiscal year. The budget must be itemized to show the amount appropriated for each item ~~as required on the budget form~~.

(2) When the budget amendment is the result of increased enrollment, the maximum amount of the budget amendment for all funds must be determined in the following manner:

(a) Determine the total amount in the final budget for the current school fiscal year of all funds affected by the enrollment increase, less any amounts appropriated as capital outlay and any amount appropriated for addition to the operating reserve.

(b) Divide the amount determined in subsection (2)(a) by the number of pupils originally enrolled in the district during the immediately preceding school fiscal year. The resulting cost per pupil is the maximum permissible per-pupil expenditure in the budget amendment.

(c) Determine the enrollment increase of the current school fiscal year by subtracting the number of pupils originally enrolled during the immediately preceding school fiscal year from the number of pupils enrolled for the current school year. The result is the enrollment increase for the current school fiscal year.

(d) Multiply the cost per pupil determined in subsection (2)(b) by the enrollment increase determined in subsection (2)(c). The result is the maximum limitation on a budget amendment for amendments resulting from increased enrollment.

(3) For other types of budget amendments, the budget amendment is limited to the expenditures considered by the trustees to be reasonable and

necessary to finance the conditions of the budget amendment and the preliminary budget amendment must include the details of the proposed expenditures.

(4) Whenever the trustees adopt a preliminary budget amendment for the transportation fund, the trustees shall attach to the budget amendment a copy of each transportation contract that is connected with the budget amendment and that has been prepared and executed in accordance with the school transportation contract laws.

(5) After the trustees have adopted the budget amendment by a majority vote of the trustees, it must be signed by the chairman of the trustees and the clerk of the district and copies must be sent to the county superintendent, the county treasurer, and the superintendent of public instruction."

Section 43. Section 20-9-166, MCA, is amended to read:

"20-9-166. State financial aid for budget amendments. Whenever a final budget amendment has been adopted for the general fund or the transportation fund to finance the cost of an amendment resulting from increased enrollment ~~or any other reason approved by the superintendent of public instruction under the provisions of 20-9-163~~, the trustees may apply to the superintendent of public instruction for an increased payment from the state public school equalization aid account for the foundation program or for state transportation reimbursement, or both. The superintendent of public instruction shall adopt rules for the application. The superintendent of public instruction shall approve or disapprove each application for increased state aid made in accordance with 20-9-314 and this section. When the superintendent of public instruction approves an application, ~~he~~ *the superintendent of public instruction* shall determine the additional amount of state aid from the state public school equalization aid account or the state transportation reimbursement that will be made available to the applicant district because of the increase in enrollment. The superintendent of public instruction shall notify the applicant district of ~~his~~ *the superintendent's* approval or disapproval and, in the event of approval, the amount of additional state aid that will be made available for the general fund or the transportation fund. The superintendent of public instruction shall disburse the state aid to the eligible district at the time the next regular state aid payment is made."

Section 44. Section 20-9-168, MCA, is amended to read:

"20-9-168. Emergency budget amendment tax levy. When a budget amendment has been ~~approved by the superintendent of public instruction~~ *adopted by the board of trustees* under 20-9-161(2) and a district does not have sufficient funds, including insurance proceeds *and reserves*, to finance the budget amendment, the district may levy a tax in the ensuing school year to fund the expenditures authorized by the budget amendment. The amount levied may not exceed the unfunded amount of the budget amendment."

Section 45. Section 20-9-208, MCA, is amended to read:

"20-9-208. Transfer among appropriation items of a fund. (1) Whenever it appears to the trustees of a district that the appropriated amount of an item of a budgeted fund of the final budget or a budget amendment is in excess of the amount actually required during the school fiscal year for the appropria-

tion item, the trustees may transfer any or all of the excess appropriation amount to any other appropriation item of the same budgeted fund.

(2) Transfers may not be made between different funds of the same district, *between the final budget and a budget amendment,* or between similar funds of different districts except as specifically provided by this title. The trustees shall enter the authorized transfers upon the permanent records of the district."

Section 46. Section 20-9-212, MCA, is amended to read:

"20-9-212. Duties of county treasurer. The county treasurer of each county shall:

(1) receive and hold all school money subject to apportionment and keep a separate accounting of its apportionment to the several districts ~~which~~ *that* are entitled to a portion of the money according to the apportionments ordered by the county superintendent *or by the superintendent of public instruction.* A separate accounting must be maintained for each county fund supported by a countywide levy for a specific, authorized purpose, including:

(a) the basic county tax in support of the elementary ~~foundation programs~~ *BASE aid;*

(b) the basic special tax for high schools in support of the high school ~~foundation programs~~ *BASE aid;*

(c) the county tax in support of the transportation schedules;

(d) the county tax in support of the elementary and high school district retirement obligations; and

(e) any other county tax for schools, including the community colleges, which may be authorized by law and levied by the county commissioners.

(2) whenever requested, notify the county superintendent and the superintendent of public instruction of the amount of county school money on deposit in each of the funds enumerated in subsection (1) ~~of this section~~ and the amount of any other school money subject to apportionment and apportion the county and other school money to the districts in accordance with the apportionment ordered by the county superintendent *or the superintendent of public instruction;*

(3) ~~keep a separate accounting of the expenditures for each budgeted fund included in the final budget of each district;~~

~~(4)~~ keep a separate accounting of the receipts, expenditures, and cash balances for each budgeted fund ~~included in the final budget of each district and for each nonbudgeted fund established by each district~~;

~~(5)~~*(4)* except as otherwise limited by law, pay all warrants properly drawn on the county or district school money and properly endorsed by their holders;

~~(6)~~*(5)* receive all revenue collected by and for each district and deposit these receipts in the fund designated by law or by the district if ~~no~~ *a* fund is *not* designated by law. Interest and penalties on delinquent school taxes ~~shall~~ *must* be credited to the same fund and district for which the original taxes were levied.

~~(7)~~*(6)* send all revenue received for a joint district, part of which is situated in ~~his~~ *the* county, to the county treasurer designated as the custodian of the revenue, no later than December 15 of each year and every 3 months thereafter until the end of the school fiscal year;

~~(8)~~*(7)* at the direction of the trustees of a district, assist the district in the issuance and sale of tax and revenue anticipation notes as provided in Title 7, chapter 6, part 11;

~~(9)~~*(8)* register district warrants drawn on a budgeted fund in accordance with 7-6-2604 when there is insufficient money available in all funds of the district to make payment of the warrant. Redemption of registered warrants must be made in accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

~~(10)~~*(9)* invest the money of any district as directed by the trustees of the district within 3 working days of the direction;

~~(11)~~*(10)* each month give to the trustees of each district an itemized report for each fund maintained by the district, showing the paid warrants, outstanding warrants, registered warrants, amounts and types of revenue received, and the cash balance;

~~(12)~~*(11)* remit promptly to the state treasurer receipts for the county tax for a vocational-technical center when levied by the board of county commissioners under the provisions of 20-16-202;

~~(13)~~*(12)* invest the money received from the basic county tax ~~in support of the elementary foundation programs, and~~ the basic special tax ~~in support of the high school foundation programs,~~ *the county levy in support of the elementary and high school district retirement obligations, and the county levy in support of the transportation schedules* within 3 working days of receipt. The money must be invested until the working day before it is required to be distributed to school districts within the county or remitted to the state. Permissible investments are specified in 20-9-213(4). All investment income must be deposited, and credited proportionately, in the funds established to account for the taxes received for the purposes specified in subsections (1)(a) ~~and (1)(b)~~ *through (1)(d).*

~~(14)~~*(13)* remit on a monthly basis to the state treasurer, in accordance with the provisions of 15-1-504, all county equalization revenue received under the provisions of 20-9-331 and 20-9-333 ~~for elementary and high school district foundation program support~~, including all interest earned and excluding any amount required for high school out-of-county tuition under the provisions of 20-9-334, in repayment of the state advance for county equalization prescribed in 20-9-347. Any funds in excess of a state advance must be used as required in 20-9-331(1)(b) and 20-9-333(1)(b)."

Section 47. Section 20-9-335, MCA, is amended to read:

"20-9-335. Formula for apportionment of county equalization ~~moneys~~ *money.* (1) The ~~county~~ superintendent *of public instruction* shall calculate the apportionment of revenue available in the basic county tax account and in the basic special tax for high schools account in accordance with the following procedure:

(a) determine the percentage that the county equalization ~~moneys~~ *money* available for the support of the elementary ~~foundation program~~ *direct state aid* of the districts in the county is of the total elementary ~~foundation program~~ *direct state aid* of all districts in the county;

(b) multiply the elementary ~~foundation program~~ *direct state aid* amount of each district by the percentage determined in subsection (1)(a) ~~above~~ to determine the portion of the county equalization ~~moneys~~ *money* available to each school district.

(2) The ~~above~~ procedure ~~shall~~ *in subsection (1) must* also be applied for the high school ~~foundation program~~ *direct state aid* after the deduction of the county's obligation for high school out-of-county tuition.

(3) Territory situated within a county may not be excluded from the calculations of the county equalization ~~moneys~~ *money* under this section solely because the territory lies within the boundaries of a joint district. Cash balances to the credit of any district at the end of a school fiscal year may not be considered in the apportionment procedure prescribed in this section.

(4) The county equalization ~~moneys~~ *money* reported under these procedures ~~are~~ *is* the first source of revenue for financing the elementary and high school ~~foundation program~~ *direct state aid* payments."

Section 48. Section 20-3-205, MCA, is amended to read:

"20-3-205. Powers and duties. The county superintendent has general supervision of the schools of the county within the limitations prescribed by this title and shall perform the following duties or acts:

(1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions of 20-3-352, 20-3-353, and 20-3-354;

(2) administer and file the oaths of members of the boards of trustees of the districts in his county in accordance with the provisions of 20-3-307;

(3) register the teacher or specialist certificates or emergency authorization of employment of any person employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the provisions of 20-4-202;

(4) act on each tuition application submitted to him in accordance with the provisions of 20-5-301, 20-5-302, 20-5-304, and 20-5-311 and transmit the tuition information required by 20-5-312;

(5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

(6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

(7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions of 20-6-103;

(8) fulfill all responsibilities assigned to him under the provisions of this title regulating the organization, alteration, or abandonment of districts;

(9) act on any unification proposition and, if approved, establish additional trustee nominating districts in accordance with 20-6-312 and 20-6-313;

(10) estimate the average number belonging (ANB) of an opening school in accordance with the provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

(11) process and, when required, act on school isolation applications in accordance with the provisions of 20-9-302;

(12) complete the budgets, compute the budgeted revenues and tax levies, file final budgets and budget amendments, and fulfill other responsibilities assigned to him under the provisions of this title regulating school budgeting systems;

(13) submit an annual financial report to the superintendent of public instruction in accordance with the provisions of 20-9-211;

(14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money, county school money, and any other school money subject to apportionment in accordance with the provisions of 20-9-212, 20-9-334, 20-9-347, 20-10-145, or 20-10-146;

(15) act on any request to transfer average number belonging (ANB) in accordance with the provisions of 20-9-313(3);

(16) calculate the estimated budgeted general fund sources of revenue in accordance with the ~~provisions of 20-9-348 and the other~~ general fund revenue provisions of the general fund part of this title;

(17) compute the revenues and the district and county levy requirements for each fund included in each district's final budget and report the computations to the board of county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other school funds parts of this title;

(18) file and forward bus driver certifications, transportation contracts, and state transportation reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

(19) for districts that do not employ a district superintendent or principal, recommend library book and textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

(20) notify the superintendent of public instruction of a textbook dealer's activities when required under the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

(21) act on district requests to allocate federal money for indigent children for school food services in accordance with the provisions of 20-10-205;

(22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the policies of the board of public education, the policies of the board of regents relating to community college districts, or the rules of the superintendent of public instruction;

(23) administer the oath of office to trustees without the receipt of pay for administering the oath;

(24) keep a record of his official acts, preserve all reports submitted to him under the provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable to the administration of the office, and surrender all records, books, supplies, and equipment to his successor;

(25) within 90 days after the close of the school fiscal year, publish an annual report in the county newspaper stating the following financial information for the school fiscal year just ended for each district of the county:

(a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

(b) the total receipts that were realized in each fund maintained by the district;

(c) the total expenditures that were made from each fund maintained by the district; and

(d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal year; and

(26) hold meetings for the members of the trustees from time to time at which matters for the good of the districts must be discussed."

Section 49. Section 20-6-703, MCA, is amended to read:

"20-6-703. Transitions after formation of K-12 school district. (1) When an attachment order for a K-12 school district becomes effective on July 1 under the provisions of 20-6-701:

(a) the board of county commissioners shall execute all necessary and appropriate deeds, bills of sale, or other instruments for the conveyance of title to all real and personal property of the elementary district to the high school district;

(b) the trustees of the elementary district shall entrust the minutes of the board of trustees, the elementary district documents, and other records to the high school district to which it is attached; and

(c) the county treasurer shall transfer all end-of-the-year warrants and fund balances of the attached elementary district to the similar funds established for the K-12 school district in the high school district.

(2) All taxes levied by and revenue due from a previous school fiscal year to an elementary district attached to a high school district must be payable to the appropriate fund of the high school district.

(3) The previous year's general fund budget amounts for the elementary district and the high school district that form a K-12 school district must be combined to determine the budget limitation for the ensuing school fiscal year pursuant to ~~20-9-315~~ *[section 3]*.

(4) An elementary district and a high school district that form a K-12 school district under the provisions of 20-6-701 may not be considered an enlarged district for the purpose of bonus payments under 20-6-401 through 20-6-408."

Section 50. Section 20-7-306, MCA, is amended to read:

"20-7-306. Distribution of secondary vocational education and industrial arts funds. (1) The superintendent of public instruction shall categorize secondary vocational programs into one of five weighted categories based upon the relative additional costs of those programs.

(2) The superintendent of public instruction shall determine the weighted category to be assigned industrial arts programs.

(3) The superintendent of public instruction shall adjust the weighted categories as necessary to assure that the procedures outlined in ~~subsections~~ *subsection* (4) ~~and (5)~~ do not result in entitlements that exceed the amount appropriated.

(4) Funding must be based upon the average number belonging (ANB) for secondary vocational education and industrial arts programs of the high school district in the ANB calculation period immediately preceding the year for which funding is requested. The ANB must be computed for each separate secondary vocational education and industrial arts program.

(5) For secondary vocational education programs, the ANB generated for each category established in subsection (1) must be multiplied by the factor for that category, and the product must be multiplied by the ~~applicable ANB dollar value established by 20-9-319~~ *district's direct state aid per-ANB*. Industrial arts programs must be funded at 50% of the category assigned. The high school district is entitled to receive for secondary vocational education and industrial arts, the total of the computation of all secondary vocational education and industrial arts categories.

(6) The superintendent of public instruction shall annually distribute the funds allocated in this section by November 1. The money received by the high school district must be deposited into the subfund of the miscellaneous programs fund established by 20-9-507 and may be expended only for approved secondary vocational education and industrial arts programs. The expenditure of the money must be reported in the annual trustees' report as required by 20-9-213."

Section 51. Section 20-7-435, MCA, is amended to read:

"20-7-435. Funding of educational programs at in-state children's psychiatric hospitals and in-state residential treatment programs for eligible children with emotional disturbances. (1) It is the intent of the legislature that eligible children in in-state children's psychiatric hospitals and residential treatment facilities be provided with an appropriate educational opportunity in a cost-effective manner.

(2) The superintendent of public instruction may contract with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the hospital or treatment facility.

(3) Whenever the superintendent of public instruction contracts with an in-state children's psychiatric hospital or residential treatment facility for provision of an educational program for an eligible child in the children's psychiatric hospital or residential treatment facility, the superintendent of public instruction shall:

(a) monitor the provision of an appropriate educational opportunity for the child attending the hospital or residential treatment facility;

(b) negotiate the approval of allowable costs under the provisions of 20-7-431 for allowable costs for providing special education, including the costs of retirement benefits, federal social security system contributions, and unemployment compensation insurance; and

(c) fund 100% of any approved allowable costs under this section from funds appropriated for this purpose. An appropriation in excess of the allowable costs required under the provisions of this section must revert to the state equalization aid account.

(4) A supplemental education fee or tuition may not be charged for an eligible Montana child who receives inpatient treatment in an in-state children's psychiatric hospital or residential treatment facility.

(5) If a children's psychiatric hospital or residential treatment facility fails to provide an appropriate educational opportunity for an eligible child at the children's psychiatric hospital or residential treatment facility or fails to negotiate a contract under the provisions of subsection (2), the superintendent of public instruction shall negotiate with the school district in which the children's psychiatric hospital or residential treatment facility is located for the supervision and implementation of an appropriate educational program for a child attending the children's psychiatric hospital or residential treatment facility. The amount negotiated with the school district must be consistent with allowable costs that may be negotiated under the provisions of subsection (3).

(6) Funds provided to a district under this section:

(a) must be deposited in the miscellaneous programs fund of the district that provides the education program for an eligible child, regardless of the age or grade placement of the child who is served under a negotiated contract; *and*

(b) are not subject to the budget limitations in ~~20-9-315~~ *[section 3]*~~; and~~

~~(c) may not be included in the foundation program amount of the district~~."

Section 52. **Appropriations.** (1) There is appropriated from the state equalization aid account to the office of public instruction $400,000 for the biennium ending June 30, 1995, for any necessary costs incurred by the office of public instruction in implementing [this act].

(2) If House Bill No. 667 and Senate Bill No. 378 are passed and approved, then there is appropriated from the general fund $124,910,000 to the state equalization aid account for the biennium ending June 30, 1995.

(3) There is appropriated from the general fund to the Montana legislative council for the biennium ending June 30, 1995, $20,000 for the interim study to be assigned and conducted as provided in [section 63].

Section 53. **Audit during 1994-95 biennium — appropriation.** (1) The legislative audit committee, in accordance with its constitutional authority to supervise legislative postaudits, shall ensure the independence of the audit of the office of the superintendent of public instruction conducted pursuant to Title 5, chapter 13, during the 1994-95 biennium. It is the intent of the

legislature that the biennial financial compliance audit for the 2 fiscal years ending June 30, 1994, be contracted. To the extent that the legislative audit committee contracts with a private firm to conduct a portion of the audit or the entire audit, including audit work required to complete the statewide audit and the federal single audit, the total cost of all audit work during the biennium must be paid first from the line item appropriation to the office of the superintendent of public instruction for audit costs.

(2) There is appropriated from the general fund to the legislative auditor $40,000 for the biennium ending June 30, 1995, to be used if the line item appropriation to the office of the superintendent of public instruction is insufficient to pay the total audit costs.

Section 54. **Repealer.** Sections 20-9-145, 20-9-147, 20-9-301, 20-9-312, 20-9-315, 20-9-316, 20-9-317, 20-9-318, 20-9-319, 20-9-320, and 20-9-322, MCA, and section 12, Chapter 6, Special Laws of July 1992, are repealed.

Section 55. **Name change — short form amendment.** (1) Wherever it appears in 17-7-140, 20-2-115, 20-6-166, 20-9-116, 20-9-331, 20-9-333, 90-6-309, and 90-6-403 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers to equalization aid for schools, to "BASE funding program".

(2) Wherever it appears in 20-7-414, 20-7-431, and 20-7-435 and in legislation enacted by the 1993 legislature, the code commissioner is directed to change the term "foundation program", when it refers specifically to state funding for special education, to "allowable cost payment".

Section 56. **Moratorium on creation of new district.** (1) Following [the effective date of this section], a school district may not initiate the creation of a new elementary district under the provisions of 20-6-216 and 20-6-217 or initiate the creation of a new high school district under the provisions of 20-6-303 and 20-6-325.

(2) This section does not apply to a petition to create a new elementary or high school district that was filed prior to [the effective date of this section].

Section 57. **Codification instruction.** (1) [Sections 1 through 3 and 41] are intended to be codified as an integral part of Title 20, chapter 9, part 3, and the provisions of Title 20 apply to [sections 1 through 3 and 41].

(2) [Sections 38 and 39] are intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20, chapter 9, apply to [sections 38 and 39].

Section 58. Section 6, Chapter 14, Special Laws of January 1992, is amended to read:

"Section 6. **Effective date ~~— termination~~.** [This act] is effective on passage and approval~~, and [sections 3 through 5] terminate June 30, 1993~~."

Section 59. **Effective dates — retroactive applicability.** (1) Except as provided in subsections (2) and (3), [this act] is effective July 1, 1993.

(2) [Section 11] is effective July 1, 1993, and the provisions of [section 11(3)] relating to excess reserves and Public Law 81-874 money apply retroactively,

within the meaning of 1-2-109, to district general fund reserves for the school fiscal year beginning July 1, 1992.

(3) [Sections 23 and 33] are effective July 1, 1994, and apply retroactively, within the meaning of 1-2-109, to the school fiscal year beginning July 1, 1993.

Section 60. **Coordination instruction.** (1) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-303, then [section 4 of Senate Bill No. 348], amending 20-9-303, is void.

(2) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-311, then [section 5 of Senate Bill No. 348], amending 20-9-311, is void.

(3) If House Bill No. 667 and Senate Bill No. 348 are passed and approved and if they include a section that amends 20-9-321, then [section 7 of Senate Bill No. 348], amending 20-9-321, is void.

(4) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [sections 6 and 7 of this act] are void.

(5) If House Bill No. 667 and House Bill No. 469 are passed and approved, then [section 4(1)] of House Bill No. 469 must read as follows:

"(1) Except as provided in subsections (3) and (4), whenever a child has approval to attend a school outside of the child's district of residence under the provisions of [section 1 or 2], the basis of the rate of tuition is a flat rate for each of the 15 district-size groupings determined by rule by the superintendent of public instruction by March 15 of each year, using statewide district expenditure and revenue data for the general fund, debt service fund, and retirement fund to determine the average district contribution."

(6) If House Bill No. 667 and House Bill No. 202 are passed and approved, then [section 12] of House Bill No. 202, amending 20-9-322, is void.

(7) If House Bill No. 667 and Senate Bill No. 235 are passed and approved, then [section 143] of Senate Bill No. 235, amending 20-9-439, is void.

(8) If House Bill No. 667 is passed and approved and if Senate Bill No. 235 is approved by the electorate, then the amendments to 20-9-344, 20-9-347, 20-9-366, and 20-9-368 in [this act] and in Senate Bill No. 235 are void and those sections are amended to read as follows:

Section 20-9-344, MCA, is amended to read:

"20-9-344. ~~Purpose of state equalization aid and duties~~ *Duties* of board of public education for distribution *of BASE aid.* (1) ~~The money available for state equalization aid must be distributed and apportioned to provide:~~

~~(a) an annual minimum operating revenue for the elementary and high schools in each county, exclusive of revenues required for debt service and for the payment of any costs and expense incurred in connection with any adult education program, recreation program, school food services program, new buildings and grounds, and transportation; and~~

~~(b) the Montana educational telecommunications network as provided in 20-32-101.~~

~~(2)~~ The board of public education shall administer and distribute the ~~state equalization~~ *BASE* aid and state advances for county equalization in the manner and with the powers and duties provided by law. To this end, the board of public education shall:

(a) adopt policies for regulating the distribution of ~~state equalization~~ *BASE* aid, *state retirement obligation payments,* and state advances for county equalization in accordance with the provisions of law;

(b) have the power to require reports from the county superintendents, budget boards, county treasurers, and trustees as it considers necessary; and

(c) order the superintendent of public instruction to distribute the ~~state equalization~~ *BASE* aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of ~~state equalization~~ *BASE* aid, the board of public education may not increase or decrease the ~~state equalization~~ *BASE* aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

~~(3)~~*(2)* The board of public education may order the superintendent of public instruction to withhold distribution of ~~state equalization~~ *BASE* aid ~~or order the county superintendent of schools to withhold county equalization money~~ from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status.

~~(4)~~*(3)* Prior to any proposed order by the board of public education to withhold distribution of ~~state equalization~~ *BASE* aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

~~(5)~~*(4)* If a district or county receives more ~~state equalization~~ *BASE* aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.

~~(6)~~*(5)* Except as provided in 20-9-347(3), the ~~foundation program payment and guaranteed tax base~~ *BASE* aid payment must be distributed according to the following schedule:

(a) from August to ~~May~~ *October* of the school fiscal year, ~~8%~~ *10%* of the ~~foundation program payment~~ *direct state aid* to each district;

(b) from December to April of the school fiscal year, 10% of the direct state aid to each district;

~~(b)~~*(c)* in November of the school fiscal year, one-half of the guaranteed tax base aid payment *and one-half of the state retirement obligation payment* to each

district or county *that has submitted a final budget to the superintendent of public instruction in accordance with the provisions of 20-9-134*;

~~(c)~~*(d)* in May of the school fiscal year, the remainder of the guaranteed tax base aid payment *and one-half of the state retirement obligation payment* to each district or county; and

~~(d)~~*(e)* in June of~~:~~

~~(i) the 1993 school fiscal year, one-half of the remaining foundation program payment of each district and on July 15, 1993, the remaining school fiscal year 1993 foundation program payment of each district; and~~

~~(ii)~~ the school fiscal year, *one-half of* the remaining ~~foundation program~~ payment to each district *of direct state aid and on the following July 15, the remaining payment to each district of direct state aid for the school fiscal year ending on the preceding June 30.*

~~(7)~~*(6)* The distribution ~~of foundation program payments and guaranteed tax base aid~~ provided for in subsection ~~(6)~~ *(5)* must occur by the last working day of each month."

Section 20-9-347, MCA, is amended to read:

"20-9-347. ~~Formula for state equalization~~ *Distribution of BASE* aid ~~apportionment~~ in support of ~~foundation~~ *BASE funding* program *and retirement* — exceptions. ~~(1) The superintendent of public instruction shall apportion the state equalization aid available for support of the foundation program, individually for the elementary districts of a county or the high school districts of a county, in accordance with 20-9-346 and on the basis of the following procedure:~~

~~(a) Determine the percentage that the total funds available to all counties in the state in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all counties.~~

~~(b) Determine the percentage that the total funds available in each county in support of the foundation programs in the county (excluding state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all districts of the county.~~

~~(c) Counties in which the percentage determined in subsection (1)(b) exceeds the percentage determined in subsection (1)(a) are not entitled to an apportionment of the state equalization aid in support of the foundation program.~~

~~(d) After elimination of the counties referred to in subsection (1)(c), determine the percentage that the total money available to all remaining counties in support of the foundation program (including the state money available for state equalization aid in support of the foundation program) is of the total amount of the foundation programs of all remaining counties.~~

~~(e) Each district of each remaining county is entitled to an apportionment of the state equalization aid in support of the foundation program equal to the difference between the percentage determined in subsection (1)(d) and the~~

~~percentage determined for the county in subsection (1)(b) multiplied by the foundation program amount for the district.~~ *(1) The superintendent of public instruction shall apportion state retirement obligation payments to each district in support of the district's retirement fund obligations. The superintendent of public instruction shall adopt rules to ensure that for school fiscal year 1995 and succeeding years, each district receives state retirement obligation payments equal to the full amount required by the elementary districts and high school districts in the county.*

(2) The superintendent of public instruction shall:

(a) supply the county treasurer and the county superintendent with a *monthly* report of the ~~apportionments~~ *payment* of ~~state equalization~~ *BASE* aid in support of the ~~foundation~~ *BASE funding* program of each district of the county~~, and the state equalization aid in support of the foundation program must be apportioned to the districts in accordance with the report~~;

(b) in the manner described in 20-9-344, provide for a state advance to each county in an amount that is no less than the amount anticipated to be raised for the basic county tax fund as provided in 20-9-331 and for the basic special tax fund as provided in 20-9-333;

(c) adopt rules to implement the provisions of subsection (2)(b).

(3) (a) The superintendent of public instruction is authorized to adjust the schedule prescribed in 20-9-344 for distribution of the ~~foundation program and guaranteed tax base~~ *BASE* aid payments if the distribution will cause a district to register warrants under the provisions of 20-9-212~~(9)~~*(8)*.

(b) To qualify for an adjustment in the payment schedule, a district shall demonstrate to the superintendent of public instruction, in the manner required by the office, that the payment schedule prescribed in 20-9-344 will result in insufficient money available in all funds of the district to make payment of the district's warrants. The county treasurer shall confirm the anticipated deficit. ~~Nothing in this~~ *This* section may *not* be construed to authorize the superintendent of public instruction to exceed a district's annual payment for ~~state and county equalization~~ *BASE* aid."

Section 20-9-366, MCA, is amended to read:

"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:

~~(1) "County retirement mill value per elementary ANB" or "county retirement mill value per high school ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.~~

~~(2)~~*(1) (a) "District guaranteed tax base ratio" for guaranteed tax base funding for the base budget of an eligible district means the taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid and 40% of the special education allowable cost payment.*

(b) "District mill value per ANB", *for school facility entitlement purposes,* means the taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year ~~foundation program~~ *total per-ANB entitlement* amount.

~~(3)~~*(2)* ~~"Permissive amount" means that portion of a district's general fund budget in excess of the foundation program amount for the district, as provided in 20-9-316 through 20-9-321, but not exceeding 35% of the district's foundation program amount, and which excess is authorized under the provisions of 20-9-145 and 20-9-353.~~

~~(4)~~*(a)* "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for ~~permissive and retirement guaranteed tax base~~ *school facility entitlement* purposes, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount used to calculate the elementary school districts' and high school districts' current year ~~foundation program~~ *total per-ANB entitlement* amounts.

(b) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base ratio", for guaranteed tax base funding for the base budget of an eligible district, means the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175% and divided by the total of either the state elementary school districts' or high school districts' current year total maximum general fund budget amounts."

Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid — reversion. (1) ~~The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide county mill value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary districts in the county.~~

~~(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide county mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.~~

~~(3)~~ The amount of guaranteed tax base aid ~~per ANB~~ that a district may receive in support of ~~its permissive amount of the general fund budget~~ *up to 40% of the basic entitlement, up to 40% of the total per-ANB entitlement budgeted within the general fund budget, and up to 40% of the special education payment* is ~~the difference between the district mill value per ANB and the corresponding statewide district mill value per ANB, multiplied by the number of mills levied in support of the district's permissive amount of the general fund budget~~ *calculated in the following manner:*

(a) multiply the sum of the district's direct state aid and 40% of the special education allowable cost payment by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (1)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

~~(4)~~*(2)* Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. ~~If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not expended.~~ If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

Section 61. **Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 62. **Termination.** [Sections 20 and 22] terminate June 30, 1994.

Section 63. **Interim study of taxes and valuation.** (1) The legislative council is requested to assign the revenue oversight committee, the legislative finance committee, or an appropriate interim committee to conduct an interim study of certain taxes and property valuation for the purpose of enhancing equalized school funding and of equalizing tax burdens among the state's school districts. The study should include but is not limited to:

(a) exploring the best means of including revenue from local government severance taxes, new and interim production of oil and natural gas, the "flat tax" on coal, corporation license taxes collected from financial institutions, and motor vehicle fees in the formula for equalizing funding per ANB and for equalizing tax burden among the state's school districts; and

(b) identifying measures that would allow the value of all centrally assessed property to be included in the formula for equalizing funding per ANB and for equalizing tax burden among the state's school districts.

(2) In conducting the study, the committee may request assistance from the:

(a) superintendent of public instruction;

(b) board of public education;

(c) department of revenue;

(d) representatives of local government entities, including the Montana association of counties and the Montana league of cities and towns;

(e) representatives of schools and teachers and other interested persons and organizations; and

(f) staff of the legislative council, legislative fiscal analyst, and the legislative auditor.

(3) If the legislative council does not assign an appropriate interim committee to conduct the study requested in this section, the superintendent of public instruction is requested to conduct the study and may request assistance from any of the entities referred to in subsection (2) or from any other entity having relevant knowledge, insight, or information.

Section 64. **Contingent termination.** The bracketed language in [section 3], relating to excluding Public Law 81-874 receipts, is void on the date that the superintendent of public instruction certifies to the governor that, prior to January 1, 1995, a letter has been received from the United States department of education declaring that, after analysis of [this act], the bracketed language in [section 3] violates the provisions of the federal impact aid laws and will result in the loss of federal impact aid funds.

Approved May 12, 1993.

CHAPTER NO. 634

[HB 671]

AN ACT GENERALLY REVISING INDIVIDUAL INCOME TAX LAWS AND AMENDING CORPORATE LICENSE AND INCOME TAX LAWS; PROVIDING A SINGLE INCOME TAX RATE; REPLACING ITEMIZED INCOME TAX DEDUCTIONS WITH STANDARD DEDUCTIONS AND INCREASING THE EXEMPTION AMOUNT; CHANGING THE METHOD OF INDEXING THE STANDARD DEDUCTION AND EXEMPTION AMOUNTS; PROVIDING FOR A ONE-TIME TAX CREDIT RESULTING FROM GAIN FROM THE SALE OF A BUSINESS HELD FOR 15 OR MORE YEARS; INCREASING THE RATE OF THE CORPORATE LICENSE OR INCOME TAX FOR CORPORATIONS WITH TAXABLE INCOME OVER $500,000; INCREASING THE MINIMUM CORPORATE TAX TO $100; INCREASING THE SMALL BUSINESS CORPORATION MINIMUM FEE TO $25; AMENDING SECTIONS 13-37-218, 15-30-101, 15-30-103, 15-30-105, 15-30-111, 15-30-112, 15-30-117, 15-30-122, 15-30-126, 15-30-131, 15-30-137, 15-30-142, 15-30-323, 15-31-121, 15-31-131, 15-31-202, 15-31-204, AND 15-32-303, MCA; REPEALING SECTIONS 15-30-121, 15-30-156, 15-30-157, 15-30-159, 15-30-160, AND 15-30-199, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-30-101, MCA, is amended to read:

"15-30-101. Definitions. For the purpose of this chapter, unless otherwise required by the context, the following definitions apply:

(1) "Base year structure" means the following elements of the income tax structure:

(a) ~~the tax brackets established in 15-30-103, but unadjusted by subsection (2) of 15-30-103, in effect on June 30 of the taxable year;~~

~~(b)~~ the exemptions contained in 15-30-112, but unadjusted by 15-30-112(6)~~, in effect on June 30 of the taxable year~~;

~~(c)~~*(b)* the ~~maximum~~ standard deduction provided in 15-30-122, but unadjusted by subsection ~~(2)~~ *(4)* of 15-30-122~~, in effect on June 30 of the taxable year~~.

(2) "Consumer price index" means the consumer price index *for all urban consumers,* United States city average, for all items, using the ~~1967~~ *1982-1984* base *index* of 100, *as that base index is periodically adjusted,* as published by the bureau of labor statistics of the U.S. department of labor.

(3) "Department" means the department of revenue.

(4) "Dividend" means any distribution made by a corporation out of its earnings or profits to its shareholders or members, whether in cash or in other property or in stock of the corporation, other than stock dividends ~~as herein defined~~. "Stock dividends" means new stock issued, for surplus or profits capitalized, to shareholders in proportion to their previous holdings.

(5) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any person, trust, or estate.

(6) "Foreign country" or "foreign government" means any jurisdiction other than the one embraced within the United States, its territories and possessions.

(7) "Gross income" means the taxpayer's gross income for federal income tax purposes as defined in section 61 of the Internal Revenue Code of 1954 or as that section may be labeled or amended, excluding unemployment compensation included in federal gross income under the provisions of section 85 of the Internal Revenue Code of 1954 as amended.

(8) "Inflation factor" means a number determined for each taxable year by dividing the consumer price index for June of the taxable year by the consumer price index for June~~, 1980~~ *1993, then subtracting 1, then multiplying by 0.5, then adding 1.*

(9) "Information agents" includes all individuals, corporations, associations, and partnerships, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, brokers, real estate brokers, employers, and all officers and employees of the state or of any municipal corporation or political subdivision of the state, having the control, receipt, custody, disposal, or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income with respect to which any person or fiduciary is taxable under this chapter.

(10) "Knowingly" is as defined in 45-2-101.

(11) "Net income" means the adjusted gross income of a taxpayer less the deductions allowed by this chapter.

(12) "Paid", for the purposes of the deductions and credits under this chapter, means paid or accrued or paid or incurred, and the terms "paid or incurred" and "paid or accrued" ~~shall~~ *must* be construed according to the method